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Zhulali Explains 'Deployment' of Soldiers

AU2206201094 Tirana TVSH Television Network in Albanian 1800 GMT 22 Jun 94

[Excerpts] The People's Assembly today approved four bills and, at the request of the Socialist Party [PS] parliamentary group, the deputies questioned Defense Minister Safet Xhulali on the recent elections in Zall-Herr. Gezim Qinami, our correspondent to the People's Assembly, reports:

[Qinami] [passage omitted] The session then posed questions to Defense Minister Zhulali that were requested by the PS parliamentary group. The question asked was: Besides the elections for the commune chairman in Zall-Herr, are there any other reasons for the temporary deployment of hundreds of soldiers at the Zall- Herr military unit?

Taking the floor, Mr. Zhulali said that the movements of soldiers in Zall-Herr has nothing to do with the elections; this is the first part of the answer. If you want to know why soldiers have been deployed there, I can tell you. The Zall-Herr unit is a special one. It has a certain staff regardless of whether there is a mobilization or demobilization of soldiers, and it is always on full alert. I honestly declare that, during the elections in Zall-Herr, we did not have a single soldier more than the designated staff.

Regarding Mr. Zhulali's answer, Deputy Luan Hajdaraga rejoined, calling the Zall-Herr elections unlawful.

In the name of the parliamentary Commission of Defense, Public Order, and ShIK [National Information Service], Mr. Azem Hajdari said that the Zall-Herr elections were conducted in conformity with the legislation approved by this parliament.

After the discussion, the proceedings ended.

Zhulali, Turkish Delegation Discuss Cooperation

AU2206203994 Tirana TVSH Television Network in Albanian 1800 GMT 22 Jun 94

[Text] A Turkish military delegation led by Deputy Defense Minister General Toman Erkan arrived in Albania today. General Erkan was received by Defense Minister Safet Zhulali, who welcomed him and wished him a pleasant stay in Albania.

Then a meeting was held, in which Minister Zhulali appraised the relations and cooperation between the two countries in the field of defense and paid tribute to Turkey's contribution to the education and training of personnel, as well as its assistance in various fields.

Mr. Zhulali went on to stress that, in view of its modernization and Partnership for Peace, our army requires more help and stronger support in the fields of communication, food, medicine, the military industry, etc.

For his part, after conveying greetings from the Turkish defense minister to Zhulali, General Erkan confirmed that Turkey would help the Albanian Army in accordance with the bilateral agreement. The cooperation and support that we render to the Albanian Army, he said, is a question of mutual assistance.

Metin Ornekol, the Turkish ambassador to Tirana, attended the meeting, which took place in a warm atmosphere.

In addition to other activities, the Turkish military delegation held working meetings with Lieutenant General Ilia Vasho, chief of the Army General Staff, Deputy Defense Minister Bashkim Shehu, and other top officials to pinpoint possible avenues for greater assistance to the Albanian Army.

Government Announces Property Compensation Decree

AU2405124894 Tirana LIRIA in Albanian 18 May 94 p 1

["Government Decree 'On Awarding Property Compensation to Former Political Prisoners and Detainees in Implementation of Law No. 7748 of 29 July 1993,' Amended by Law No. 7771 of 7 December 1993 'On the Status of Former Political Prisoners and Detainees Convicted Under the Communist System'"]

[Text] In implementation of Law No. 7748 of 29 July 1993 "On Property Compensation to Political Prisoners and Detainees Convicted by the Communist System", Articles 7, 8, 9, 11 and 13, by the proposal of the Ministry of Finance and Economy, the National Privatization Agency, and the Committee of Former Political Detainees, The Council of Ministers decided:

1. Property compensation of the former political prisoners and detainees, according to Law 7771 of 7 December 1993 "On the Status of the Former Political Prisoners and Detainees Convicted Under the Communist System," will be carried out mainly in bonds, in a form and method determined by Council of Ministers' Decree No. 504 of 18 October 1993. Cases of exclusion from this form of compensation in bonds will be defined in this decision.

2. All former political detainees who have gained the right of property compensation according to Law No. 7748 of 29 July 1993, amended by the Law 7771 of 7 December 1993 "On the Status of Former Political Prisoners and Detainees," in implementation of Articles 8 and 9 of the aforementioned Law, will receive in the form of bonds an annual compensation of 120,000 leks. For the purposes of calculation, the calendar year will be considered equal to 365 days.

3. All former political detainees, as enshrined in Article 3, Paragraph (b) of the Law "On the Status of Former Political Prisoners and Detainees," who.

(a) have suffered more than 10 years' imprisonment and turned 50 on the date of this Law's coming into force, can have their compensation amount in cash, if they so wish, but not exceeding 200,000 leks for the days they spent in jail beyond the aforementioned prison terms:

(b) have suffered over 20 years' imprisonment, regardless of their age, can receive their compensation amount in cash, if they so wish, but not more than 250,000 leks for the days they have spent in jail beyond the aforementioned prison term:

(c) on the date of this Decree's coming into force, can prove by means of a legal medical certificate that they are first and second group invalids, can be compensated in cash, if they so wish, but not more than 300,000 leks:

(d) on the date of this Decree's coming into force, have turned 55, notwithstanding their prison term, can have, if they so wish, part of their compensation in cash, but not more than 100,000 leks.

(e) all women, notwithstanding their age or prison term, can be compensated in cash, if they so wish, but not more than 200,000 leks. If one of the requirements of Paragraph (b) or (e) of this Article is met, they are entitled to choose the compensation value of either of them.

4. Only persons who, on the date of issuance of this Decree are still alive, are entitled to benefit from the rights emanating from the aforementioned Article.

5. All former political detainees who qualify as such according to Article 3, Paragraph (a) of Law No. 7748, based on the right enshrined in Article 8 of this Law, or their legitimate heirs, will receive a compensation of 200,000 leks.

6. Persons entitled to receive part of their compensation in cash, according to the amount and stipulations defined in Articles 3 and 4 of this Law, enjoy this right only once.

7. All political detainees who benefit from bonds according to Law No. 7748 of 29 July 1993, will be entitled to take part in an auction in the process of privatizing the state-owned property. Any detainee who possesses such bonds will be free to sell, deposit or change them without hindrance in all the forms foreseen by law.

8. All financial consequences stemming from the implementation of this Decree, will be borne by the State budget fund designated: "Expenses for Former Political Detainees." In the case that the total amount of cash compensation is bigger than allocated for this purpose in the budget, the compensation delivery will be postponed for the coming years, depending on the possibilities offered by the annual State budget each year. In this case, all those who would like to receive this amount in bonds, and are entitled according to this Decree's criteria, may do so before the end of 1994.

9. The Privatization Preparatory Commission in the Finance Ministry is assigned the task of putting the Draft-Decision on privatization in Compensation bonds before the Council of Ministers by the end of May 1994.
10. The Ministry of Finance and Economy, the Former Detainee's Committee, and A.K.P. [expansion unknown] are charged with the implementation of this Decree.

This Decree is effective immediately.

CHAIRMAN OF COUNCIL OF MINISTERS

ALEKSANDER MEKSI

Government, Hunger Strikers Reach Understanding

AU2206204294 Tirana TVSH Television Network in Albanian 1800 GMT 22 Jun 94

[Text] Prime Minister Meksi, Minister of Mining Industry Xhaja, Minister of Labor, Emigration, and Social Assistance Shehi, and representatives from the Presidency, as well as others, met today with a group representing the hunger strikers in Kraste, Martanesh.

The government officials were briefed on the concerns and demands of the strikers and their working and living conditions in the mine and the area, as well as the demands of the employees.

After extensively discussing the problems, the government expressed its readiness and determination to improve the living conditions in this poor area. Almost all the demands were considered attainable, and the work to fulfill them started several days ago.

They further confirmed the dispatching of groups of specialists to modernize the mine and begin work at the processing factory, which in fact happened yesterday.

Both sides reached an understanding and expressed mutual confidence. At the same time, a group of high-level officials was sent there to relay these decisions to the strikers.

President Zhelev Signs Privatization Bill

AU2306095194 Sofia Khorizont Radio Network in Bulgarian 0800 GMT 23 Jun 94

[Text] I begin with a report that at least formally puts an end to the general discussion that has taken place in recent days and weeks. The president of the republic has issued Decree No. 141, in which he orders the Law on Amendments and Addenda to the Bill on Reorganizing and Privatizing State and Municipal Enterprises to be published in the STATE GAZETTE.

We just received this report from the presidency Press Center.

BSP, SDS Not Interested in Early Elections

AU2306113594 Sofia KONTINENT in Bulgarian 21 Jun 94 p 4

[Commentary by Svetlana Belousova: "Elections as Fiction"]

[Text] The leaders of the two major political forces have had a second official tete-a-tete meeting. The first meeting failed to produce any public results; it only helped Zhan Videnov legitimize his position as leader of the Bulgarian Socialist Party [BSP]. However, it was that meeting that served as the cornerstone of his current—and after the congress—future political career. Aleksandur Lilov, Andrey Lukanov, Nora Ananieva, and certain smaller self-proclaimed leaders remained in his shadow. In this context, the second meeting was a reciprocal diplomatic act that aimed to convince the Union of Democratic Forces [SDS] that Filip Dimitrov is its only leader. Whether he will be able to utilize his position in the upcoming events or mess things up until they become fully unclear, which is typically the case, is a different issue.

Against the background of the expanding political cacophony, which has been brought on by the idleness of the two political centers rather than by any action on their part, Videnov and Dimitrov could not meet in order "to discuss the political situation"—one of the contemporary politicians' new cliches. They were expected to discuss the Election Bill and the amendments to the Constitution, and it was precisely this that they announced at the news conference as the main topic. Being led by considerations of "political expediency"—another cliche—became one of the fundamental principles of our politicians.

At their news conference, Videnov and Dimitrov firmly explained that there are differences in the manner in which the two centers view the elections issue. Actually, neither the BSP nor the SDS are ready for early elections in the fall. Furthermore, they do not want the elections. Naturally, it is not advantageous to admit this to the voters nor is it "expedient." Now is not the time for this, as both parties need time. They are absolutely sure that the division in the next parliament will again be between the blue [SDS] and the red [BSP], and the difference will only be in the satellite political formations. This is precisely why the two major parties need time. Forming a new centrist coalition and expanding the constituency of the Movement for Rights and Freedoms—these are goals whose implementation requires time.

Construction of Oil Pipeline to Greece Planned

AU2306095994 Sofia KONTINENT in Bulgarian 21 Jun 94 p 3

[Unattributed report: "Oil Pipeline for Greece Through Bulgaria Planned"]

[Text] The construction of a Bulgarian-Greek oil pipeline from Burgas to the Aegean port of Alexandroupolis, an idea launched last month during the talks in Moscow between Greek Foreign Minister Karolos Papoulias and Russian President Boris Yeltsin, will neutralize Turkey's oil ambitions in the region. In addition, such a project will resolve the problem of transporting the Russian oil to Western Europe, the I KATHIMERINI Greek daily writes.

The oil pipeline, which will pass through southern Bulgaria, is also viewed as an opportunity to stop the expansionist strivings of Turkey in the region, in which 1.5 million Muslims live, and strengthen security in Thrace, I KATHIMERINI writes.

Athens views the idea of constructing a Greek-Bulgarian oil pipeline from the Black Sea to the Aegean Sea as a counterpoint to the Turkish strategic plans aimed at establishing eventual control over the export of Russian oil. According to Athens, Turkey also aims at establishing control over the oil of the former Soviet republics around the Caspian Sea.

By constructing the Greek-Bulgarian oil pipeline Russia would be able to free itself from its dependence on Turkey and simultaneously, the strategic positions of Greece and Bulgaria will be strengthened.

Prime Minister Reviews Postcommunist Period

AU2206171194 Prague LIDOVE NOVINY in Czech 20 Jun 94 p 5

[Article by Czech Prime Minister Vaclav Klaus: "Between the Past and the Future"]

[Text] In the period after November 1989, we did not draw once and for all a thick line under the past (so that we could forget it), but we decided intentionally to remove the main instigators of the communist regime from all public positions and, moreover, to redress the aftermath of the most serious property and nonproperty-related injustices committed by this regime. We accommodated the majority view among the Czech public, and that was the right thing to do. However, I would like to say that, from the very beginning, we were aware of the difficulties and problems this decision would bring on a practical level and of the kind of genie that was being released from the bottle. I think we have done more in this issue than any other postcommunist country. Despite this, it seems to me that the current dissatisfaction of some people (and mainly its disproportionate representation in the media) with the alleged slowness, inconsistency, and small scale of the rehabilitations and restitutions is increasing directly proportionately to the extent of the rehabilitations carried out and with the amount of property already returned, and this is the reason for my contemplation.

I do not want to deal at all with the economic aspect of the issue. This has already been discussed enough in our country, and it is not the main issue, although it is certainly not a negligible one. The issue involves something far broader and far more general—that is, what the past in fact means for the life of the state and the nation or, rather, the extent to which it is possible to rectify it or take it back.

Many people in our country view the communist regime as a kind of weight that descended on all of us from the outside in 1948. Therefore, it also seems to them that, when we managed to haul this weight off ourselves, we were once again in the early evening of 24 February 1948, and, if not entirely, we must strive with all our might and as fast as possible to be there. This is only half the truth, however, and it may even be less.

In actuality, the communist era meant a profound structural transformation throughout the whole of Czech society, not only on the ideological level but also on the everyday one. Society stratified thanks to the previous democratic regime into a multitude of local, regional, social, ethnic, and mainly enormously multifarious special-interest groups that differed from each other not only in the extent of their wealth and political influence but also in their sundry life styles; communism forcibly cemented them together in false unity, dreariness, and injustice. The objective of communist ideology was the collectivization of society, whose end result, however, was its considerable atomization. This severed the thousands of fine threads that wove us together. This was one of the most profound social transformations that our country has gone through in its thousand-year history; moreover, it was amplified by the fact that the conditions that evolved lasted for two whole generations.

It was not, however, external intervention. A not insignificant part of our society, whether consciously or unconsciously, was involved in organizing this transformation and in carrying it out. The gradual sobering up, which set in as a result of the public disclosure of the Stalinist terror and of the subsequent collapse of communist ideology itself, could not, even in 1968, be fully implemented politically because of the nature of the already stabilized regime. This was accompanied, into the bargain, by further mistakes and further illusions. Let us admit finally that communism was not a natural disaster but was more like a serious and prolonged illness against which we did not have enough antitoxins.

It follows on from this that, among other things, each of us who went through this process, albeit quite involuntarily, is marked by it, no matter what he tells himself. The spasmodic disputes and polemics whipped up by the sudden and unexpectedly obtained freedom are convincing proof of this, and the current restitution mania is part of it.

It is naive to think that we will simply replicate our future from our more illustrious past. On the one hand, we are somewhere else, and, on the other, we do not know what our more illustrious past is, this paradise lost to which we want to return. Are these the years immediately before 1948, years noted for their diverse violations of human and civil rights, their crippled political spectrum and mass nationalization? Or is this the interwar Czech Republic, more than half a century remote from us? Or is it perhaps even the imperial and royal monarchy?

Without a doubt, we must follow up on our positive historical traditions. At the same time, the current fundamental framework for a free society as it has evolved in Europe is also decisive for us. However, these are just auxiliary bearings. We have to create our future ourselves; we cannot replicate it. It will be new, it will be ours, and it will be different from what we know of our past or of that of our neighbors. The road toward it is untraveled. It is a road "on which one gets dusty," a bumpy road, and a road with sharp bends and steep slopes. A concept for a return to "the time before" is impossible. The river of time will not flow backwards, even if we were to pass hundreds of laws and government decrees for this purpose.

From time to time it is also said "give back what was stolen." This, at first glance attractive moral imperative is, upon closer inspection, terribly ungenerous and terribly improvident. Among other things, the one who stole is not the one who gives back. The individual also harmed by communism is, in the overwhelming majority of cases, the one who gives back. Each of us who trots out this demand should realize what it means in practice.

Quite unnecessary disputes will erupt, and are already erupting, and these could become a barrier separating us from each other and dividing us all from our neighbors. The passionate debates about returning property to an aristocrat or the property claims of the Sudeten Germans are classic examples of this. Moreover, I do not believe that the major injustices of communism were property-related injustices or that we should orient ourselves in this direction.

Only the future will tell whether we made the right decision when we chose our "Czech" solution to rectify the wrongdoing committed by the communist regime. However, the present is already sending us clear and comprehensible signals that it is necessary to bring an end to more and more restitution claims. We will not settle scores with the past any better by their continuous augmentation.

New Arms-Export Licensing Procedure Outlined

AU2206122294 Prague CESKY DENIK in Czech 18 Jun 94 p 1

[Article by Jiri Stastny: "The Czech Republic Exported Arms to 53 Countries Last Year"]

[Text] The Czech Republic exported arms and special military material to 53 countries last year. Egypt and Thailand were among the most significant importers of our aircraft hardware. We exported small arms mainly to Turkey, where the Czech Arms Plants Uhersky Brod rearmed the police force. We sold seven ground armored vehicles to Angola.

Bretislav Gregr, the director of the Special Materials Department at the Trade and Industry Ministry, told us that the provision of import and export licenses for military material is the basic condition for conducting international trade in arms. A license is issued on the basis of an application, the most important detail of which is the confirmation of the end user; this is verified by the representative offices. At the moment, the situation is more complicated because a new law on conducting foreign trade in military material has been in force since 1 April. It stipulates a two-tier licensing procedure. First, a company must apply for a general permit to enter onto the market with military material, a permit that entitles it to supply, market, or enter into tender proceedings. The holder of this permit must then apply for a license for each specific deal he wants to complete. A company must comply with a number of conditions before being issued a general permit. The company in question must, for example, have a majority share of Czech capital, its owners must be Czech citizens with permanent residence in the Czech Republic, and they need to have a negative screenings certificate, a clean criminal record, sufficient financial backing for the company, and so on. At the moment, some 10 enterprises are applying for this permit; one of them has already obtained it. According to B. Gregr, it is a new limited company whose statutory bodies had Army connections and, thus, knowledge of the military sphere. The new wording of the law allows for the validity of the licenses issued previously. Some 40 companies that obtained a license to export military material before 1 April of this year have to obtain a new export permit within six months. These companies include, for example, Aero Vodochody, whose shipment for the Thai Royal Air Force was impounded recently in Austria.

Third Bank Failure Causing Uneasiness

94CH0280A Prague MLADA FRONTA in Czech 11 May 94 p 6

[Article by Jana Havligerova and Tomas Marek: "Problems Being Experienced by Banks Are Reaching Deeper Than Errors in Management"]

[Text] After two banks collapsed financially, the nervousness of the public is palpable at every step. The failure of the Credit and Industrial Bank of Prague and the subsequent closing of the Bohemia Bank brought about defensive reflexes within society; the confidence of the populace in the entire system is melting away like ice in the summer sun.

The nervousness is currently concentrated upon the so-called small banks, which are those that have recently come into being and whose basic worth is about 1 billion korunas [Kc] or beneath that level. On the other hand, large institutions are perceived as being safe and secure.

Except that this is also a matter for discussion. Not even the giant posthumous children of the monopolistic financial system that existed under the socialist economy are in "as cozy a situation" as it may seem. Recently, reports reached the public regarding some of their heavy mistakes—for example, the payment of a forged check for Kc60 million by the Bank of Commerce and a mistake involving precious gemstones that, provided it is confirmed, could cost the Investment and Postal Bank Kc500 million. Experience indicates that only a fraction of what goes on in the banks ever reaches the public eye. Accordingly, one cannot only figure that even the large institutions engage in failed ventures, but also that there will very likely be more such ventures than have currently become known.

The current lack of confidence in small banks is, moreover, nurtured by uncertain reports regarding their uncertain financial situation. And so a single exemplary case is sufficient. And two failures within the short period of six months—that is simply too much. And what today's published report regarding the difficulties being experienced by the AB Bank will be cannot even be estimated.

For purposes of confidence in the system, it is immaterial that both cases—the Bohemia and the Credit and Industrial Bank—are special cases and do not have a whole lot in common with pure banking. In the case of the Credit and Industrial Bank, this is obviously a matter

of fraudulent activity to benefit selected clients of the institution; in the case of the Bohemia Bank, the culprit was illegal foreign operations by part of the management of the firm.

The Czech National Bank has hardened conditions for doing business in the industry in recent months. It increased its oversight over individual institutions, imposed higher standards that banking houses must meet. Thanks to this move, six institutions are now under heightened control—the Czech National Bank assigns them tasks and makes recommendations to their management teams and compels them to strengthen the financial position of their bank.

When the business boom began in 1990 and in the subsequent years, it turned out that the large institutions were far too cumbersome, do not know how to expand their services with sufficient speed, and are proving ineffective in terms of distributing their resources—in other words, lending money where there is an interest in such loans. And small and medium business entrepreneurs were interested. There was more demand for loans, which exceeded the supply of available money. In other words, the large corporations were not striving in any way to attract this clientele. The market reacted in a natural way—small and medium-size banks began to come into being.

However, since that time, the situation has changed. The supply of money has increased and is probably even greater than the demand for new credits today. The large banks were also faced with tough competition—a number of enterprises that had a reputation and good plans turned their backs on them and their high interest rates. They either borrowed money abroad or issued bonds. The large banks began to find that the world is not only colored a rosy pink and had to begin paying attention even to those clients whom the black-garbed sheriffs never even allowed in the building before. Of course, this is contributing to the worries of the small banks—in order to succeed, they must lower their loan rates. And this is precisely a problem for them.

When the small banks needed money for credits, they were compelled to acquire primary resources, the best of which were time deposits from the populace and from enterprises. And persuading a customer to deposit money precisely with their institution meant paying higher interest rates than were being paid by the large institutions.

In other words, the small banks were offering better conditions for depositing money, and, consequently, on the other hand, they also made more costly loans. As the interest of the large institutions is expanding, so the operating room of the smaller ones is shrinking—and the fact that they apparently have more pleasant personnel, are more flexible, etc. does not alter much in this situation. The fundamental economic rule of price will have its way.

Thus, the small banks have no choice but to rapidly become larger. Many are working arduously at this task—never before have there been so many reports regarding increases in basic worth that have followed each other so rapidly as has been the case in recent months. But that will not be enough. The Czech National Bank, which is guarding the health of the banking sector, knows very well that the structure of the financial institutions is unsuitable and is planning to bring about a change in the structure through new regulations. And so there will clearly soon be a wave of mergers and fusions involving the smaller banking houses. Overall, perhaps the number of banks will shrink, but this is not a pity. For this price, the financial institutions will buy back the confidence of the population, which they had lost in part.

Confidence in President, Prime Minister Declines

AU2206131994 Bratislava SME in Slovak 21 Jun 94 p 3

[Article by "r": "Whom Did Citizens of the Slovak Republic Trust at the Beginning of June 1994?]

[Text] Bratislava—The group of citizens who do not trust any figure on our political scene has grown again—from 25 percent in April to 42 percent at the beginning of June. The first three places in the ranking of trustworthiness have been occupied throughout this period by the same politicians—Vladimir Meciar, Michal Kovac, and Jozef Moravcik. This transpires from a public opinion survey conducted by the Slovak Statistical Office at the beginning of June.

The survey ascertained considerable differences in the level of confidence in political personalities between the residents of Bratislava and the residents of other regions in Slovakia, especially regarding the top places in the ranking. At the beginning of June, 31 percent of Bratislava residents did not trust any politician, which is 11 percent below the all-Slovak average.

(The table below includes only the names of politicians who were trusted by more than 2 percent of respondents in June. Each respondent could name, at his own discretion, up to three figures, which is why the sum total exceeds 100.)

Trust of Slovak Republic Citizensin Politicians (in percent)

	Apr 94	May 94	Jun 94
Vladimir Meciar	26	20	22
Michal Kovac	25	18	14
Jozef Moravcik	25	19	13
Peter Weiss	13	13	8
Ivan Gasparovic	8	10	8
Jan Carnogursky	4	6	4
Jozef Prokes	5	3	4
Vojtech Bugar	3	3	4
Roman Kovac	7	4	3
Mikulas Dzurinda	2	3	3
Brigita Schmognerova	—	1	2
Milan Knazko	1	2	2
Jan Luptak	1	1	2
No one	25	35	42

[Bratislava SLOVENSKA REPUBLIKA in Slovak on 21 June on page 3 carries a 400-word TA SR report on the above survey, which includes the following passage on the structure of supporters of the three top-ranking politicians: "Vladimir Meciar continues to enjoy the greatest trust among Movement for a Democratic Slovakia [HZDS] sympathizers (68 percent of whom trust him), in the group of citizens over 50 (28 percent), among blue-collar workers (29 percent), and in central Slovakia (28 percent).

"President Michal Kovac is a politician who enjoys the stable trust of, in particular, Christian Democratic Movement (30 percent) and Democratic Union [DU] (28 percent) sympathizers, citizens of Hungarian nationality (28 percent), university-educated people (20 percent), and Bratislava residents (23 percent).

"Also, citizens who trust Jozef Moravcik represent a more or less stable group in terms of their social and demographic makeup. Moravcik is trusted, in particular, by DU (56 percent) and Party of the Democratic Left (21 percent) sympathizers, white-collar workers (20 percent), university-educated respondents (29 percent), citizens of Hungarian nationality (23 percent), and Bratislava residents (23 percent)."

Poll on Public's Attitude Toward Institutions

AU2206123994 Bratislava PRAVDA in Slovak 21 Jun 94 p 5

[Table on results of a public opinion survey carried out by the FOCUS agency in May 1994: "How We Trust Institutions"—figures are in percentages]

[Text]

	A	B	C	D	E
SR President	30.5	39.1	20.6	8.4	1.4
SR National Council	7.9	43.6	37.1	7.5	3.9
SR Government	14.4	41.8	30.7	10.2	3.0
Trade Unions	11.5	34.6	30.3	10.3	13.3
European Union	12.3	34.4	23.6	7.8	21.9
NATO	11.4	26.8	26.7	14.3	20.7
Army	18.3	45.4	20.6	7.6	8.0
Police	9.4	38.2	37.4	12.4	2.6
International Monetary Fund	8.6	31.7	27.2	11.6	20.8
Church	20.9	31.0	23.2	20.6	4.2
Press	5.4	43.7	37.6	9.5	3.9

Abbreviations: SR = Slovak Republic; A = Definitely trust; B = Trust more than distrust; C = Distrust more than trust; D = Definitely distrust; E = Don't know.

Kukan Lauds Syrian Role, Views Syria's Visit

JN2206153894 Damascus Syrian Arab Republic Radio Network in Arabic 1115 GMT 22 Jun 94

[Text] Prague—Slovak Foreign Minister Eduard Kukan has asserted that Syria is a primary and important state in the Middle East and that, without Syria, a just and comprehensive peace cannot be achieved.

In a statement to a SANA correspondent in Prague today, Kukan added that his country appreciates the Syrian policy aimed at achieving a just and comprehensive peace in the region. He also emphasized Slovakia's support for the peace process, which is based on both the UN resolutions and international legitimacy.

The Slovak minister stressed the depth of Syrian-Slovak relations, which have always been fruitful in all fields. He said his coming visit to Damascus on the day after tomorrow, 24 June, aims to promote and consolidate the traditional relations between Syria and Slovakia in a way that will serve both friendly countries.

NDS Names Electoral Leaders to 4 Constituencies

AU2206123194 Bratislava SLOVENSKY DENNIK in Slovak 20 Jun 94 p 2

[TA SR report: "National Democratic Party Accepted the Democratic Union's Offer"]

[Excerpt] Zemplinska Sirava—[passage omitted] The National Democratic Party Central Council determined the party's electoral leaders: NDS First Deputy Chairman M. Janicina will be its electoral leader in Bratislava; Vladimir Miskovsky in western Slovakia; NDS Chairman L. Cernak and NDS Deputy Chairman A. Findo will run in central Slovakia; and A. Hrnko and NDS Deputy Chairman A. Ivanko will be electoral leaders in eastern Slovakia.

Communist Party Elects Three Deputy Chairmen

AU2206112294 Bratislava SLOVENSKY DENNIK in Slovak 20 Jun 94 p 2

[TA SR report: "Communist Party of Slovakia: Celebrations of Slovak National Uprising Anniversary, Elections, and Politics"]

[Text] Zvolen—The 18 June meeting of the Communist Party of Slovakia [KSS] Central Committee approved a proposal to hold the communist celebrations of the 50th anniversary of the Slovak National Uprising on 20 August in Holic, in the presence of representatives of the Communist Party of Bohemia and Moravia. The KSS Central Committee also approved the party's electoral manifesto, the submitted KSS slate of candidates for the parliamentary elections, and the election staff. KSS Chairman V. Dado will be the Communists' main leader in the coming elections. The meeting also dealt with cadre issues—M. Zozulak, J. Sevc, and Anton Porubsky were elected KSS deputy chairmen—and assessed some aspects of domestic and foreign policy. The KSS Central Committee resolutely protests against Zbigniew Brzezinski's call that nuclear weapons be used against the DPRK if necessary. It regards Russia's pressure actions and the U.S. efforts to impose an embargo as interference in the internal affairs of a sovereign state.

Results of June Preelection Polls

AU2106134194

[Editorial Report] Slovak newspapers on 18 and 20 June publish the results of public opinion polls conducted by various Slovak institutions, surveying interest in participation in the forthcoming parliamentary elections and degree of voters' support for individual political parties and movements.

Bratislava PRAVDA in Slovak on 18 June on page 3 carries a 200-word TA SR report entitled "Would You Participate in the Elections If They Were To Be Held Today?" The report notes that, in a survey conducted from 1 to 10 June 1994, the Slovak Statistical Office asked a representative sample of 1,289 adult citizens whether they would participate in the elections "if they were to be held today."

According to an attached chart, in the survey, 48 percent of respondents replied that they would "definitely participate" (compared with 52 percent in an analogous Slovak Statistical Office survey of May 1994), 29 percent (26 percent in May) said that they would "probably participate," 10 percent (9) said that they would "probably not participate," 7 percent (6) said that they would "definitely not participate," and 6 percent (7) are "still undecided."

Bratislava SME in Slovak on 18 June on page 2, under the headline "How Would We Vote, Were Elections To Be Held in June?," carries a 400-word unattributed report on the same Slovak Statistical Office survey (1,289 respondents, data collected from 1 to 10 June 1994). The SME report includes the following table, which provides the results of respondents' replies on their party preferences. In an introductory note, SME stresses that the table includes only "the electoral decisions of citizens who would definitely or probably participate in the early parliamentary elections, if they were to be held today." For the sake of comparison, the SME table also provides the results of analogous Slovak Statistical Office surveys conducted in April and May.

	Apr 94	May 94	Jun 94
	(in percent)		
Movement for a Democratic Slovakia [HZDS]	32	27	29
Coalition of Party of the Democratic Left-Social Democratic Party in Slovakia-Green Party in Slovakia- Farmers Movement [SDL-SDSS-SZS-HP]	18	23	20
Christian Democratic Movement [KDH]	8	11	8
Democratic Union [DU]	9	5	6
Slovak National Party [SNS]	4	4	4
National Democratic Party [NDS]	2	3	3
Democratic Party-Party of Entrepreneurs and Tradesmen [DS-SPZ]	3	4	3
Association of Workers of Slovakia [ZRS]	2	3	4
Hungarian Christian Democratic Movement [MKDH]-Coexistence	7	7	8
Other parties, movements	3	5	6
Don't know	12	8	9

Bratislava SME in Slovak on 20 June on page 3, under the headline "Election Results According to Survey of Preferences," carries the following "r"-attributed article: "In the first week of June, the Slovak Radio's Methodological Research Department carried out a representative sociological survey of preelection preferences. The sample consisted of 1,150 respondents. The list of parties, movements, and electoral alliances presented to the respondents corresponded to the present state of political parties' talks on the formation of coalitions." The report is followed by the following table.

Preelection Preferences of Parties, Movements, and Anticipated Coalitions (in percent)

HZDS	25.0
SDL-SDSS-SZS-HP	17.3
KDH	11.0
Coalition of ethnic Hungarian parties	8.2
ZRS	7.4
DU, NDS	4.4
SNS	3.7
DS-SPZ	3.5
Other parties, coalitions	2.6
Don't know	16.9

Town Disallows Plaque for Ethnic Hungarian

AU2206115494

[Editorial Report] Bratislava SLOVENSKA REPUBLIKA in Slovak on 18 June on page 2 carries an 800-word Jergus Ferko article entitled "Monument for a Traitor." The article deals with the controversy over the unveiling of a plaque for Count Janos Esterhazy, an ethnic Hungarian politician who was sentenced to death for "high treason" in 1947, organized by the local organization of the Hungarian Christian Democratic Movement (MKDH) at Senec, western Slovakia.

According to the article, the ceremony was to take place on 19 June at Senec, a town in which ethnic Hungarians make up 27 percent of the population, and was to be addressed by MKDH Deputy Pal Csaky and Esterhazy's daughter Alice. However, the preparations triggered protests from the local organization of the Slovak Heritage Foundation. According to Ferko, Slovak Heritage Foundation members from Senec were pointing out that, "by his political activity, Count Esterhazy contributed to the occupation of southern Slovakia (including Senec) by Horthy's fascist army and to the subsequent seizure of this territory by Hungary. After the war, he was proved guilty of antistate espionage for Budapest and sentenced for high treason." The protests of the local branch of the Slovak Heritage Foundation reportedly received backing from the Slovak Heritage Foundation leadership, which issued a statement saying that, "after the founding of the

first Slovak Republic (in 1939), Esterhazy was pushing for the concept of renewing Greater Hungary."

Before deciding on the matter, the article continues, J. Elsik, the mayor of Senec, asked the Bratislava City Court for its assessment of the case. In a written statement, the City Court reportedly stated that the verdict of 1947 (which was subsequently changed to a life sentence; Esterhazy finally died in prison in 1957) remains valid and that Count Esterhazy is therefore to be considered a "traitor." The article goes on to say: "On Thursday, 16 June, a meeting of the Senec City Council was convened with only one item on the agenda: to permit or not to permit the plaque. After a 'complicated debate' (as is stated in the minutes of the meeting) and in the presence of Pal Csaky, deputy of the National Council of the Slovak Republic, the City Council finally decided not to allow the erection of the plaque."

In conclusion, Ferko expresses the conviction that "those Senec residents of Hungarian nationality who regard Slovakia as their homeland—and I suppose this applies to the overwhelming majority of them—will receive the decision of the municipal deputies with understanding. And they will surely also realize that, once again, someone wanted to turn them into extras for his dubious political game. Our southern Slovakia really needs to refresh its historical memory—in a different direction, however: by renewing the destroyed monuments to Czechoslovak legionnaires who died while defending this territory against a Hungarian invasion in 1919."

Bratislava SLOVENSKY DENNIK in Slovak on 18 June on page 2, in the "Single Question" column, carries a 150-word reply by MKDH Deputy Pal Csaky to a SLOVENSKY DENNIK reporter's question about the decision of the Senec City Council. Csaky says: "I was present at the meeting of the City Council on Thursday. Following a stormy discussion, we decided not to unveil the plaque, on which the inscription reads: 'Let Us Act Together in Love and Understanding.' It is not the right time to commemorate someone when national passions are running high, especially if the whole situation is incompatible with this motto."

Wording of Russian Debt Agreement Rejected

LD2206135594 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1300 GMT 22 Jun 94

[Text] At its extraordinary meeting today, Prime Minister Jozef Moravcik's Cabinet did not approve the wording of the agreement to be concluded between the Governments of the Slovak Republic and the Russian Federation on the debts of the former Soviet Union owed to our country. In spite of this, Deputy Prime Minister Brigita Snognerova will leave for Moscow this afternoon to hold talks with her partners. Jozef Trojak, state secretary in the Finance Ministry, and Anna Jostiakova, director of the trade policy department in the Ministry of Economy, are also part of the delegation.

World Bank To Lend $700 Million to Republic

94CH0297E Bratislava SME in Slovak 24 May 94 pp 1-2

[Article by SME—is, so: "Credit Assistance for the Slovak Republic by the World Bank Is Supposed To Amount to $700 Million"]

[Text] *Bratislava (SME—is, so)—The loan from the World Bank (WB) to restructure the enterprise and finance sector (EFSAL) is dependent upon obtaining a standby loan from the International Monetary Fund (IMF). These days, the government is negotiating with the IMF regarding the standby loan, and the preliminary agreement regarding the granting of the loan (letter of intent) should be signed by the end of this week. This was mentioned yesterday at a short briefing at the time of the consultation of economic ministers by B. Schmoegnerova, deputy prime minister.*

The negotiations were participated in also by a mission from the World Bank, under the leadership of Vice President M. Bruno, which is paying a working visit to Slovakia. As noted by E. Zirnansky, press secretary of the Ministry of Finance, the loan will be made up of several draws, and its total value will be approximately $100-120 million. According to him, the World Bank is considering increasing the overall volume of credits for the Slovak Republic to approximately $700 million in the next two to four years. As noted by Schmoegnerova, sector loans are being worked out to help complete housing construction projects within the framework of the KBV [Complex Housing Construction], to restructure the labor market, and rebuild forestry. P. Koncos, minister of agriculture, added that the loan to improve and renew the forests is expected to make a contribution toward preventing unprocessed logs from being exported from Slovakia and should assist in having the maximum amount of timber processed in the lumber and furniture industry in Slovakia. The loan for completion of complex housing construction (KBV) is supposed to be made available by the World Bank to the Slovak Republic this year. "Experts from the World Bank and the Ministry of Transportation, Communications, and Public Works (MDSVP) have already visited 30-34 localities where the use of loan funds is being contemplated. This will be a question of municipal housing; the conditions for granting the loan are technical in nature," the deputy prime minister said in response to a question by SME.

After a year of using subsidies in a program to reduce the consumption of fuels and energy in apartment buildings and apartments, the Ministry of Economics is submitting modifications for this program to the government. "This year, subsidies should continue to be used also for interest-free loans for periods of three years. The budget includes 100 million Slovak korunas [Sk] for projects designed to improve heat and insulation characteristics, the regulation of heat-generating facilities, the reconstruction of thermal resources, the installation of measuring and regulating equipment, and the reduction of

consumption of electric energy. These projects, which could cost as much as Sk3 million, will be gathered by the MDSVP and our ministry until the end of July," said A. Oparty, state secretary of the Ministry of Economics. Conditions for announcing projects will be published by the government once they are approved. Another of the points discussed by the economic ministers was also the proposal to amend the law on consumer taxes. The government will discuss this proposal today.

Customs Union To Continue, Says Government

94CH0297C Prague TELEGRAF in Czech 19 May 94 p 1

[Article by Stepanka Kucerova: "The Slovak Government Claims That It Continues To Be Interested in Maintaining the Customs Union With the Czech Republic"]

[Text] *The Government of Slovakia considers the customs union to be functional and is interested in maintaining it. This was stated yesterday at the extraordinary session of the Council of the Customs Union (CCU) by Peter Magvasi, Slovak economics minister.*

At yesterday's session, the results of the work of CCU expert groups resulted in a proposal for an intergovernmental agreement regarding the mutual recognition of the output of testing facilities and certificates issued by both countries. This information was provided by the chairman of the Council of the Customs Union, Vladimir Dlouhy, Czech minister of industry and commerce. Experts from another working group yesterday proposed the unification of all standards and regulations having to do with the responsibility for damage caused by trading a certified product and regulations having to do with consumers and directives issued by the European Union. Both proposals will be subjects of intrastate markup proceedings, and the governments of both countries should be approving them by 31 August of this year. "I consider the proposal for the treaty to be progress, even though it categorizes individual products, certificates for which will be issued with various 'buts...,'" said Dlouhy.

Reservations with regard to the customs union had previously already been expressed by B. Schmoegnerova, Slovak economic deputy chairperson, according to whom the customs union is disadvantageous for Slovakia. She particularly did not agree with the current form of payments agreements and with the clearing transfer process. On this topic, P. Magvasi said yesterday that, in creating this treaty, the possibility for some partners to make payments in hard currencies had been overlooked. "In the year of experience involving the payments agreement, it has turned out that there are a number of specifics that require further solution," stated Magvasi. Yesterday, two alternatives were presented as supplements to the payments agreement. However, as Minister Dlouhy stated, both sides failed to agree on which alternative would be selected. In the case of so-called sensitive products, both sides yesterday agreed that working groups that would be compiling a mechanism for identifying listings of such products would not be formed. "It is only a short step from this to setting up quotas for trade in these products," warned Minister Dlouhy. According to him, these problems would be solved on an "ad hoc" basis.

First-Quarter Economic Results Viewed

94CH0297B Prague HOSPODARSKE NOVINY in Czech 13 May 93 p 4

[Article by Slovak correspondent of HOSPODARSKE NOVINY: "Statisticians Are Balancing the First Quarter—According to the Slovak Republic Statistical Office, a Trend Indicating a Slowdown in Price Increases Has Been Evident Since the Beginning of the Year"]

[Text] Bratislava—During the first three months of this year, Slovakia achieved a positive balance of trade amounting to 2.2 billion Slovak korunas [Sk] in its business transactions with the Czech Republic, according to Stefan Condik, chairman of the Slovak Republic Statistical Office, at yesterday's press conference in Bratislava. During the period under consideration, imports from the Czech Republic were valued at Sk14.3 billion, which represents 30.2 percent of total imports to Slovakia; on the other hand, Slovak Republic exports to the Czech Republic were valued at Sk16.5 billion, which corresponds to 37.9 percent of total Slovak exports. However, these data do not include reexports. Statistics kept by country of commercial transaction indicate that the balance of trade between Slovakia and the Czech Republic was on the negative side to the extent of Sk3.6 billion.

Stefan Condik noted that, in the first quarter of 1994, a trend showing a slowdown of price increases was manifested in Slovakia. According to data provided by the Slovak Statistical Office, inflation grew by a total of 2.6 percent in comparison with December of last year in the first quarter of 1994 and was, to a certain extent, influenced by wage developments. Compared to February, wages in industry increased by 16.3 percent to Sk6,291; wages in the construction industry rose by 15.7 percent to Sk5,919; salaries in trade increased by 10 percent to Sk4,714; and wages in transportation rose 6.7 percent to Sk6,119. Average monthly wages for the entire national economy in the first quarter amounted to Sk5,400, which is 14-15 percent (Sk700) more than was the case in the same period of last year.

In March, Slovakia had 370,500 unemployed, which is about 14.7 percent of the labor force. Compared with February with an unemployment rate of 14.8 percent, the number of unemployed declined by 5,500 persons.

In March, the effects of introducing the import surcharge were felt, and the negative balance of trade increased by only Sk35 million. Overall, the balance of trade for the quarter ended up with a deficit of Sk3.7 billion. During the first three months of the year, Slovakia imported

goods valued at Sk47.2 billion, which is 1 percentage point more than was the case for the same period of 1993. Exports amounted to Sk43.5 billion, which represents a 2.6-percent decline when compared to last year.

The value of foreign capital in the Slovak economy by the end of March was Sk11.5 billion. In comparison with the last quarter of 1993, this represents an increase of 6.7 percent. The main share in investments in the Slovak economy is still held by Austria (23.4 percent) and Germany (21 percent). During the latest period, the Czech Republic, whose investment share rose to 13 percent, outstripped the United States with a 12.1-percent share. Foreign capital is now part of 5,719 corporations. Since the beginning of the year, the Slovak Republic has seen the failure of 35 firms with foreign property participation, and an additional 80 firms are in liquidation.

Importers Hurt by 'Quality' Certificates

94CH0297A Bratislava SME in Slovak 21 May 94 p 1

[Article by Jana Morhacova: "Certificates Have Become the Objects of Fright for Slovak Importers"]

[Text] The requirement by customs officials that products be "certified" has become the object of fear for many an importer. The Slovak Agricultural and Foodstuffs Inspection Service in Bratislava is testing to see whether a product meets our standards and issues appropriate certificates. Every day, businessmen come to Bratislava to find out if everything is all right or whether some additional certificate or certification is required. These are not easy to obtain. A Slovak businessman must obtain a certificate from the country from which he is importing to indicate that the manufacturer is well known to state offices there.

"To travel to Turkey or Malaysia to chase down a manufacturer and to convince him that in Slovakia the authorities want to see his documentation that indicates that he is authorized to produce the product is expensive. If the manufacturer does not have such a document, do I have to look for an independent state organ in the country in question and ask, say, a Spanish office to issue a document for a Spanish manufacturer? And, in the final analysis, I will have to find and pay for a translator. And what if six of us import items from a single firm to Slovakia?" is a question by one of the worried businessmen standing in the passageway, who chose, rather, not to order a product for four weeks now.

"I import material from a distributor who has the exclusive rights for all of East Europe. I cannot imagine how I can explain to him that he must find some kind of certificate for me," says an importer of chocolate products angrily.

The quest for documents and certificates does not end when the application and all certificates are submitted. Even the customs officials have no idea what to check on. If a businessman wants to bring a sample across the border for testing purposes, he requires a certificate indicating that it is a test sample. In importing agricultural raw materials for subsequent processing, a document indicating that the product in question is an "uncertified" product is required.

"We shall have to include the costs of all of the 'expediting' moves requiring visits to manufacturers and official authorities in Italy, Austria, Turkey, or Spain, as well as the costs of translations in our prices. Added to these will be the cost of traveling from our firm to Bratislava several times each week," say several of the businessmen.

"And, after all of our peculiarities, I believe that Slovak products will be competitive," added a beer importer.

Private Businesses Said Expanding in Republic

94CH0297D Prague TELEGRAF in Czech 27 May 94 p 6

[Article by an unidentified Bratislava correspondent: "The Share of Private Enterprises in the Total Economic Production of the Slovak Republic Is Constantly Growing"]

[Text] Bratislava—Last year, the private sector accounted for more than 20 percent of the total Slovak Republic production. The greatest share was accounted for by the construction industry, where the overall share of private businesses in production amounted to virtually 25 percent. The results of the Slovak economy are thus sharply in contrast with the results achieved by the Czech Republic last year, where the share of private businesses in overall production is running at a level of 40 percent. The report by the Slovak Statistical Office contained this information.

The share of enterprises employing more than 25 workers in overall production is virtually 100 percent in certain branches of the Slovak economy. This trend is most pronounced in industrial production, where the share of enterprises employing more than 25 workers is greater than 92 percent. In the construction industry, the share amounts to 64.4 percent, in trade 21 percent, and in services 45 percent.

On the profit side of the balance sheet, the greatest share was accounted for by enterprises owned by the state, something that was expressly influenced primarily by the energy sector and the Transgaz Enterprise. The energy sector, together with the transmission of natural gas, accounts for a decisive share in the formation of revenues flowing to the Slovak Republic. The profit recorded last year by the private sector amounted to 6.2 percent. Enterprises of the cooperative sector were included in the overall evaluation. Results of the public sector were largely the result of the highly efficient activities of the energy branch and the Transgaz Enterprise.

As far as evaluating the productivity of labor from the standpoint of output, production of goods, basic construction activity, and the physical volume of retail sales (excluding the energy branch and the Transgaz Enterprise), the highest levels were achieved by workers in the so-called other private enterprises (foreign as well as international), where the final results were valued at 1.187 billion Slovak korunas [Sk]. The situation was similar in the case of average monthly wages, where the remaining private sector achieved a level of Sk6,521 and the domestic private sector achieved average monthly wages of Sk5,532. Meanwhile, in all privatized enterprises, wages amounted to Sk5,420, and in the public sector to Sk5,306. In enterprises that were privatized within the framework of the first round of coupon privatization, gross wages amounted to Sk5,397.

As for indicators of profitability, not taking into account the results of the energy sector and the Transgaz Enterprise, the most efficient results were scored by domestic private enterprises. Their share in the profit and outputs amounted to 1.7 percent, and profitability of costs as a share of profit and loss amounted to a value of 1.8 percent. Enterprises privatized through coupon privatization were more efficient (1.4 percent) than those in the private sector (0.9 percent).

Indicators of profitability and wage costs thus indicate that the activities of private enterprises are more efficient than the activities of enterprises in the public sector.

The relationship between labor productivity and average wages in this set of enterprises showed a more favorable trend in 1993, when compared with the previous period. Given the growth in productivity of labor of 35.5 percent, average monthly wages increased 19.6 percent. In the domestic private sector, labor productivity rose by 6.9 percent (again excluding the energy sector), and average monthly wages rose by 18.6 percent.

In 1993, wage development did not worsen in comparison with 1992, and wages expressed in nominal figures did not expressly increase inflationary pressures. The development of real values was also favorable. With the decline in labor productivity recorded in the gross domestic product in constant prices by 0.1 percent, average monthly wages declined by 3.7 percent.

A comparison of profit and loss figures for enterprises indicates that the volume of profits increased in agriculture, the production and transmission of gas and electric energy, ground transportation, and recreational, cultural, and other commercial activities. The volume of losses increased in the construction industry, the processing industries, and the area of real estate. Generally, average monthly wages were higher in profitable enterprises, and, on average, wages grew more rapidly there. In more branches, however, the growth of average monthly wages was higher in unprofitable enterprises than was the case in profitable ones.

Names of Expected Government Leaders Published

AU2306092994 Budapest MAGYAR HIRLAP in Hungarian 22 Jun 94 p 4

["Sz.P."-attributed report: "The Expected Members of the Horn Government"]

[Text] According to our information received from leading Socialist circles, it has not yet been decided who will fill certain state secretarial positions where the Hungarian Socialist Party [MSZP] is to provide the minister, and even the names of some ministers are not yet known. As has come to light, according to the conditional agreement, out of the future government's 12 ministries, three will be headed by the Alliance of Free Democrats [SZDSZ]. It can be taken as certain that Gabor Kuncze will be the interior minister and Ferenc Wekler will probably be his state secretary. Karoly Lotz, who was a deputy for the SZDSZ in the previous Parliament, too, is expected to head the Transport Ministry. It can be taken as certain that Gabor Fodor is to head the Ministry for Culture [and Education], and probably MSZP Deputy Chairman Gyorgy Janosi will be his Socialist political state secretary. Laszlo Kovacs, chairman of the former Parliament's Foreign Affairs Committee, will head the Foreign Ministry in the next cycle. The political state secretary in the Foreign Ministry will also be a Socialist. The name of Ferenc Somogyi, a former administrative state secretary, was raised but, according to our informant, his nomination is not yet clarified. Laszlo Bekesi will head the Finance Ministry. Laszlo Pal is the likely industry minister and, according to our information, Tatabanya deputy Gabor Szalay will be the Free Democrat political state secretary. The former Expo commissioner Etele Barath is expected to head the Environmental Ministry and the MSZP will also provide the political state secretary, parliamentary group expert Katalin Szili is a possible candidate. The Socialist Laszlo Lakos is certain to head the Agricultural Ministry. The SZDSZ will provide the political state secretary, possibly Zoltan Kiss. Mrs Kosa, Magda Kovacs will probably be the labor minister, and MSZP executive member Sandor Csintalan could be her state secretary but, according to our information, he has so far refused the nomination. The renamed Health and Welfare Ministry [Egeszsegugyi es Szocialis] will be headed by Pal Kovacs. MSZP executive member Mihaly Kokeny could be his state secretary. The situation at the Justice and Defense Ministries is somewhat unclear. According to some of our sources, Kalman Kulcsar is still a serious candidate for the Justice Ministry, and in this case, Pal Vastagh could head the Defense Ministry. Bela Katona could also get a position in the Defense Ministry's leadership. According to our information, the MSZP has not yet found a nominee for the position of minister without portfolio supervising the secret services; the fate of this position is unclear at the moment.

We have also acquired information regarding the chairmen of parliamentary committees. The Constitutional Committee would be headed by Peter Hack of the SZDSZ, the Defense Committee by Imre Mecs (SZDSZ), and the Foreign Affairs Committee by Istvan Szent-Ivanyi, also of the SZDSZ. Of the committees headed by the Socialists, Judit Csehak will probably be the chairwoman of the Welfare Committee. Csaba Tabajdi the chairman of the Human Rights Committee, Sandor Orosz of the Agricultural Committee, and Ivan Vitanyi of the Cultural Committee.

'Temporary' Management of National TV, Radio

LD2206145294 Budapest Kossuth Radio Network in Hungarian 1400 GMT 22 Jun 94

[Excerpt] The outgoing prime minister and the HSP [Hungarian Socialist Party] and SZDSZ [Alliance of Free Democrats] leaders have agreed that the current economic directors of Hungarian Television and Hungarian Radio should be entrusted with the management of the two bodies on a temporary basis. The HSP and the SZDSZ are preparing to form a government coalition. The three politicians' explain their decision by the need to avoid a leaderless state of affairs in the two national media institutions.

This is contained, among other things, in the government communique published after the morning meeting of Peter Boross [outgoing prime minister], Gyula Horn [HSP candidate for the post of prime minister] and SZDSZ Chairman Ivan Petoe. [passage omitted]

Foreign Ministry Welcomes Russia in 'Partnership'

LD2206174294 Warsaw PAP in Polish 1639 GMT 22 Jun 94

[Text] Warsaw, 22 Jun—Poland welcomes with satisfaction the fact that Russia, as the 21st state, has joined the Partnership for Peace program under the conditions defined in its framework document, says a Foreign Affairs Ministry statement conveyed to PAP on 22 June.

The statement says: This is an important step along the road toward strengthening the stability of our continent, compatible with the philosophy of the program. It is suited to new European conditions and the new tasks of the Atlantic Alliance.

Poland, which joined the Partnership for Peace on 2 February and submitted its presentation document on 25 April of this year and is now close to coordinating an individual partnership program with NATO, hopes that Russia's participation in the program will also promote partnerlike Polish-Russian cooperation.

We invariably believe that good cooperation between NATO and Russia, pursued with respect for the interests of all partner states, irrespective of their size and military potential, is of fundamental significance for security and stability in Europe. Poland is convinced that this cooperation should be accompanied by a gradual expansion of the Alliance to interested states that share its objectives and values. This would promote the implementation of Alliance tasks and the stabilization of the European situation, the Foreign Ministry statement says.

Senate Groups Adopt Amendments to Abortion Laws

LD2206190694 Warsaw Radio Warszawa Network in Polish 1800 GMT 22 Jun 94

[Text] The Senate Health and Welfare Commission and the Senate Human Rights and Law Observance Commission have adopted amendments to the Penal Law in the section relating to abortion, which was adopted by the Sejm on 10 June.

The senators opposing the adoption of the amendments stressed that they are a harbinger of, as they put it, a civilization of killing.

BBN-MON Dispute Over Presidential Powers

WS2206120594 Warsaw ZYCIE WARSZAWY in Polish 22 Jun 94 p 4

[Article by Luiza Kowalska: "Defense Issues; KOK Is Holding a Session Today; Defense Minister and BBN Chief Have Differing Views"]

[Text] *The National Defense Committee [KOK] is to make a decision today on what to do about the chief of the General Staff: to subordinate him to the president or to the defense minister? In the meantime, Henryk Goryszewski, the new chief of the presidential National Security Office [BBN], says that the president is the boss of the chief of the General Staff even now. "That is against the legal system in force," responds the defense minister.*

During a previous KOK session, Lech Walesa did not succeed in convincing all of its members to make the chief of the General Staff subordinated to the president of the country. Debate on the topic was postponed until today.

KOK's composition includes: the president; the prime minister; Sejm and Senate speakers; chiefs of the Foreign Affairs Ministry, the Internal Affairs Ministry, and the National Defense Ministry [MON]; the finance minister; teh chief of the General Staff; the chief of the President's Office; and a secretary. Some of the officials (among them, the MON chief and the Sejm speaker) want the chief of the General Staff to be subordinated to the defense minister.

MON will today again present the draft of a law describing presidential powers, as well as those of the defense minister and the chief of the General Staff. However, the draft does not include so-called safety valves that used to provide for sanctions in case, for instance, the chief of the General Staff were to exceed his powers. During the previous KOK session, it was precisely the "safety valves" that aroused many reservations on the part of the Belweder.

The Small Constitution provides only that "the president, in consultation with the defense minister, appoints the chief of the General Staff." Details are defined in a statute. There has not been any doubt so far that, according to the legal system in force, the chief of the General Staff is subordinated to the minister.

In yesterday's edition of POLSKA ZBROJNA, however, Henryk Goryszewski (BBN chief and a KOK secretary for a few days now), said that, according to the Constitution, the chief of the General Staff is subordinated directly to the president, even now. "This does not mean, of course, that the head of the General Staff is separated from the minister by a wall; however, he is also not subordinated to the president through the head of the National Defense Ministry," Goryszewski explained.

"That is contrary to the legal system in effect," comments MON Chairman Piotr Kolodziejczyk, who also made the reservation that he has not yet read Henryk Goryszewski's statement.

Possible Self-Government Coalitions Viewed

WS2206134694 Warsaw TRYBUNA in Polish 22 Jun 94 p 1

[Commentary by Dariusz Szymczycha under the "100 Words" rubric]

[Text] Influence in the municipal self-governments has been distributed among the Union of Freedom [UW],

Democratic Left Alliance [SLD], and the right wing. However, none of these groupings can afford to wield self-governmental power on their own. All of them must hold talks on the formation of a coalition.

In democratic states, local policy does not have much to do with policies conducted in a given country's capital. In gminas [smallest administrative units], even municipal gminas, there is more that links people together than there are differences on Wiejska Street [location of the Sejm].

I am afraid, however, that typical Polish scenarios may emerge. Thus, UW may set up self-governmental coalitions with the right wing only because this fits the image of an opposition (on Wiejska Street) party. Then municipal authorities may be in programmatic opposition to parliament and the government, based on the coalition of the Polish Peasant Party and the SLD. It will be a political game. The issue of indispensable self-governmental reforms will become politicized; UW will lose its virtue of freedom because it will become involved in compromises and activities pushing it to the right.

As can be seen, the selection of partners for municipal self-governmental coalitions will contribute to changes in both the character and the programs of parliamentary parties.

Report Questions 'Origins' of MSZ Employees

WS2206140794 Warsaw ZYCIE WARSZAWY in Polish 22 Jun 94 p 1

[Article by Cezary Gmyz: "Fight Over MSZ Continues; Social Origins Obstacle to Polish Diplomatic Jobs"]

[Text] *A report issued by a subcommittee evaluating personnel in the Foreign Affairs Ministry [MSZ], which was obtained by ZYCIE WARSZAWY and a team from the "Pulse of the Day" television program, accuses MSZ employees of being of aristocratic or Jewish origin. The government failed yesterday to adopt a new MSZ statute that would separate politicians from clerks.*

Incompetence, failure to take foreign language tests, insufficient work experience in the diplomatic service, foreign citizenship, social origins associated with landed aristocracy, "Solidarity," Judaism, and having worked for "Radio Free Europe"—these were accusations levied by the subcommittee evaluating MSZ personnel against employees who accepted diplomatic jobs after 1989.

The subcommittee's report, which will be presented at a session of the Sejm Foreign Affairs Commission today, consists of two parts.

The first part, which was written by the subcommittee's members, speaks of the origins of the subcommittee, lists certain criteria that diplomats should meet, and also lists accusations concerning MSZ's personnel policies. The authors of the report write that cases of employees being released from duty after 1989 "bring to the surface the issue of constitutional responsibility by the former and current foreign affairs minister."

Another part of the report, the so-called supplement, contains 11 appendixes that, according to the subcommittee's members, were written by former and current MSZ employees, as well as by people from outside the MSZ. Only two of the appendixes, pertaining to several cats that were kept by one ambassador in his residence, are signed.

The appendixes, which in effect amount to denunciations, contain an assessment of the MSZ's personnel policies and of foreign policy in general. The arguments that were listed most often concern membership in a social group, having been abroad before 1989, or being married to a foreigner. One of the authors of the treaty with Lithuania is being reminded that his father was a Stalinist diplomat, but the fact that the individual himself is an outstanding historian and a former member of the democratic opposition is not mentioned. Another diplomat is said to allegedly be implementing the Vatican's plans in the East because he worked for Vatican Radio in the past. In one of the appendixes, the dissolution of Comecon and the Warsaw Pact is regarded as a misfortune for Poland.

Because of suspicion that the appendixes contain slanders, Professor Bronislaw Geremek, chief of the Foreign Affairs Committee, refused to distribute the report's appendix to Sejm deputies. "The appendix is an integral part of the subcommittee's report," said Tadeusz Samborski, a member of the subcommittee. "Professor Geremek's decision is unacceptable."

Aside from the coalition members, the document was signed by Wojciech Lamentowicz, of the Union of Labor, and Andrzej Micewski.

Problems, Prospects of Arms Industry

PM2306101394 Krakow CZAS KRAKOWSKI in Polish 13 Jun 94 p 6

[Unattributed PAP article: "Will Poland Be 'Lifted' by Its Helicopters? Decline in World Demand for Arms"]

[Text] "In general, there is a perceptible worldwide decline in the demand for weapons, and suppliers seek new contractors in order to protect themselves against having to make production cuts. Even the markets they have ignored before have now become of interest to them," a high-ranking official connected with the Polish arms industry told us.

According to him, currently pride of place in the world arms trade goes to the United States, although Britain has recently also increased its sales. Arms purchases have fallen from some $50 billion to approximately $20 billion. Whereas previously the Russians used to earn half of these amounts, at present their share amounts to only about $2 billion. It is hard to explain why Poland is

being singled out for attack rather than, for instance, the Czech Republic, which sells as much as we do. Recently that country was visited by General Pinochet, and he certainly would not have been discussing purchases with Jablonex [costume jewelry manufacturers], especially because he visited the Brno military technology fair.

Poland used to sell quite a lot of weapons, mainly to the Warsaw Pact countries but also to the Middle East, our interviewee added. Commenting on the reports broadcast by the British television's Channel 4 about the sale of 16 containers of machine guns to Iraq, he said that journalists preparing the program displayed ignorance. All guns have serial numbers, and far too many people would have had to be informed about the export of so many containers. Lucznik makes only submachine guns, not rifles; the latter are manufactured at Cegielski and Tarnow.

"Recently an unidentified foreign journalist called us and asked whether it was true that we were making new MIG-21's and selling them to Yugoslavia. Poland has never produced any MIG's, and, as far as MIG-21's are concerned, they are surely only wanted, if they are wanted at all, as museum pieces nowadays," he said, adding that it was impossible to sell weapons to the countries of the former Yugoslavia because of the international controls in force. "Only the neighboring countries would possibly be able to smuggle something in there," he commented.

"As far as Iraq is concerned, it is well known that weapons filter in there mainly via the Kurds. Poland had sold tanks to that country, and, consequently, if we were accused of supplying them with spares, that would at least make some sense. Arms sales have to make economic sense, and that is the only criterion," the official insisted.

In his opinion, we should be developing our arms industry.

"The Hungarians buy from both East and West. This way they cushion themselves against political pressures and exigencies. We could easily be making money from our industry, and that is precisely what many states are unhappy about, because, for instance, out of all of the countries of the former USSR [as published], we are the only one that manufactures helicopters," he added.

[Box, p 6]

- Polish arms exports have declined by about 85 percent since 1988, and orders from the Polish armed forces have declined disastrously.
- Since 1965, the Polish arms industry has produced 11,000 tanks, 6,800 self-propelled howitzers, 1,600 artillery tractors, about 9,000 armored personnel carriers, 6,000 helicopters, and 1.5 million submachine guns, as well as munitions.
- Between 1984 and 1991, Poland exported weapons worth $1.8 billion and 7 billion transfer rubles.
- Between 1979 and 1989, exports of tanks earned Polish industry $2.5 billion. More than 80 percent of arms were exported to the former USSR.

Importance of Havel's Visit Emphasized

Iliescu, Havel Hold News Conference

AU2206131394 Bucharest Radio Romania Network in Romanian 0917 GMT 22 Jun 94

[Statement by Ion Iliescu, president of Romania, at a news conference jointly held with Vaclav Havel, president of the Czech Republic, at Bucharest Cotroceni Palace—live]

[Text] I would like to begin by emphasizing the political significance of this first visit of the president of the new state, the Czech Republic.

I believe that above all, this visit marks the evolution of the relations between our states by crowning the constant evolution of our exchanges, relations, and contacts in the political and economic fields, thus, the consolidation and furthering of our bilateral relations, as well as our cooperation on the international plane within various international bodies.

Second, this visit outlined the political will of the two states to give a new impetus to the furthering of the traditional relations existing between our countries and to our mutual interest to diversify and further those relations on all planes. This will is also expressed by the political document, which we signed today, the Friendship and Cooperation Treaty between Romania and the Czech Republic.

There is no need for me to detail the traditional, old, abundant, and eminently positive character of the relations between Romania and Czechoslovakia, or the ample history of our friendship relations, our feelings of sympathy and solidarity, which marked the relations between our peoples. There have never been and there are no elements, whatsoever, that could cause discord or disagreement between our countries. On the contrary, during the difficult, hard moments in the history of our nations, the two peoples were always side by side. During our talks we also evoked the time of 1968, the unanimous way in which Romania's people expressed its solidarity with the Czechoslovak people during the Soviet invasion and that of the troops of the Warsaw Pact.

Thus, both during our talks and in the treaty we signed, we registered our will to strengthen those traditional relations and to elevate them to a new level within the context of the transformations both our countries are currently undergoing.

Together we evoked the international problems currently facing our countries. We assessed as positive the cooperation of our countries within various international bodies, our joint actions and our mutual support and interest to further the processes of general European integration, and our common will to continue to act jointly to promote the general-European integration processes on the political plane, to ensure equal security conditions to all European states, and to achieve economic integration.

I believe that President Havel's visit, although short, offered him the opportunity—as this is his first visit to Romania—to personally discover, in the talks he held with political and cultural figures, regardless of political orientation, the durable feelings of friendship and solidarity of the Romanians, of the Romanian people, for the Czech people.

It is my conviction that this visit marks an important political moment in the history of Romanian-Czech bilateral relations.

Cooperation Treaty Signed

LD2206132994 Prague Radiozurnal Radio Network in Czech 1200 GMT 22 Jun 94

[Excerpts] An interstate treaty on mutual cooperation between Romania and the Czech Republic was ceremonially signed in Bucharest today. Ilona Dienstbierova is on the line with more details.

[Dientsbierova] This morning, President Vaclav Havel received the Honoris Causa of Bucharest University. [passage omitted]

The two-day state visit culminated in the signing of the interstate treaty on cooperation. The solemn act, which was attended by both presidents, took place in the Unification Hall of the presidential palace.

After the signing of the treaty Romanian President Iliescu praised the outcome and the course of Vaclav Havel's first visit to this country. He emphasized there is concord on some issues, above all on the incorporation of the two countries into European structures and on the need for cooperation in Central Europe.

Today, Vaclav Havel had brief talks with Romanian intellectuals and with the opposition. Many of the questions he was asked were about connections between politics and ethics. [passage omitted]

In the afternoon, President Vaclav Havel met with the chairmen of the Assembly and Senate and with Czech expatriates.

Iliescu Salutes Havel

AU2206185394 Bucharest Radio Romania Network in Romanian 1900 GMT 21 Jun 94

[Text] The first day of the visit of Vaclav Havel, president of the Czech Republic, to Romania included two rounds of talks between the heads of state and a meeting with Prime Minister Nicolae Vacaroiu, concluding with an official dinner at Cotroceni Palace given by Romania's President Ion Iliescu in honor of the guests.

[Begin Iliescu recording] Esteemed President Vaclav Havel, esteemed guests, ladies and gentlemen: I take great pleasure in extending on this occasion our warmest welcome to Romania, a country in which, regardless of the hardships of history or of the current political fashion, friendship with neighbors and those to whom we are connected through a past of so many common sufferings remains a constantly respected treasure for us.

This first official visit to Bucharest in your capacity as president of the newly established Czech Republic makes me believe that we are sharing the same feelings, Romania and Czechia being connected not only through history and their special position in the Central and Eastern European region, but also through their aspirations for civilization and humanity in this uniform and yet so diversified area that is present-day Europe.

In the person of President Havel, we greet the political and cultural personality, who, under such bitter political and ideological conditions in which this part of Europe was kept prisoner, through the Charter 77 movement, voiced noble aspirations and heroically reaffirmed not only the dignity of the Czech and Slovak peoples but also of all peoples in Europe. In his act, as well as the act of all those who were close to him, one could also recognize the ideals of the Romanian people, who, as prisoners of an absurd dictatorship, had to pay such a heavy price to win freedom. That is why, on behalf of all those present here and of our fellow citizens, allow me to pay homage to our distinguished guest.

Although in completely different fashion, upon the collapse of the Iron Curtain, our countries were confronted with similar problems emerging from the complex process of transition to a democratically structured society based on the market economy. Now, after more than four years, we are facing a time of political realism and concrete solutions, which are capable of giving real support to our hopes. Those comprehensive discussions and arguments that took place during our official talks, which focused on cooperation between our countries in the process of integration in Euro-Atlantic economic and security structures, represent positive proof of our intentions. Our talks emphasized the strength of the interests that bind us, taking into account the common nature of the problems that we have to cope with, the complementary nature of our economies, and the high potential of international economic and political cooperation.

Actions aimed at strengthening bilateral cooperation between Romania and Czechia, just like other regional cooperation projects, not only do not conflict with our joint goal of European integration—an idea that some people have tried to disseminate—but, on the contrary, represent a direct contribution to the establishment of favorable conditions for this integration. Through their cooperation, Romania and Czechia are making preparations for this integration. In our capacity as politicians and state leaders, we are duty-bound to cooperate in this respect. The treaty on relations of friendship and cooperation between Romania and the Czech Republic, which we shall be signing tomorrow, represents a political sign in this respect and creates the appropriate judicial framework, based on European democratic principles, for the development of solid Romanian-Czech relations. This represents a positive and important contribution to the progress of bilateral relations as well as to the organization of political and economic cooperation in the entire geo-strategic area of Central and Eastern Europe. The organic development of our relations in various areas, mainly represents a contribution to the creation of appropriate conditions for our relations to move forward with our partners in the West, from the stage when we are merely regarded as people requesting assistance or searching for potential markets, to the stage when we become real partners in establishing a new democratic, prosperous, and peaceful life in Europe.

I propose that we drink a toast to this future of our continent, a future for which it is not enough for us just to wish but also to build together, to the ever increasing friendship and cooperation between our countries, to the prosperity of the Romanian and Czech peoples, and to the good health of all those present. [end recording]

Havel Proposes Toast

AU2206185494 Bucharest Radio Romania Network in Romanian 1900 GMT 21 Jun 94

[Speech by Czech President Vaclav Havel at a dinner given in his honor by Romanian President Ion Iliescu, in Bucharest on 21 June—recorded; Havel speaks in Czech with passage-by-passage translation into Romanian; translated from the Romanian]

[Text] Esteemed Mr. President, esteemed ladies and gentlemen, it is a great honor for me to be present here in the capital city of Romania, a country that has for our homeland such friendly, open, and cordial relations. I wish to thank you for the pleasant welcome and warm hospitality extended to me.

Mr. President, we have held negotiations that tomorrow will be crowned with the signing of the basic treaty between our two countries. This treaty is going to bring our relations to where I consider that they should be, that is, to the level of states that not only demonstrate their natural mutual interests and respect for each other, but, first of all, have decided to move on to the path of effort and intensive work, which should bring them to where their rightful place is, that is, among the developed countries of Europe, because our states respect the same values and nurture the same ideals. These feelings are strongly rooted in the traditions of the European cultural space. Talking about this cultural space, I cannot help recalling that what inextricably binds Romania, its culture and history, to this space is the work of certain creative Romanian personalities such as Eugen Ionesco, Tristan Tzara, Mircea Elide, Constantin Bancusi, and others.

In the 19th and 20th century, first of all it was Prague that meant the magic city for them, with an irresistible force of attraction. Prague was visited by [Mihai] Eminescu, the greatest Romanian poet. Constantin Brancusi exhibited his work here before World War I. In the twenties Lucian Blaga came here, and Nicolae Iorga worked hard for Czech-Romanian relations.

Allow me also to recall some more painful elements that are preserved in our minds. We recently laid wreaths in (?Klovcie) in Moravia at the monument that commemorates Romanian soldiers who fell in battles 50 years ago, fighting for the liberation of our country. I have realized how close our countries can be. Thousands of soldiers lost their lives in our homeland, fighting far from their homes to free us from the chains of slavery that they themselves had to endure for several years. We never want to forget these ties.

Mr. President, certainly we are all aware that our countries, just as in the past, are still connected by a series of historical, cultural, and economic relations. Romania and the Czech Republic represent an image of history and of ancient cultures to which our countries have been host. The traces of this common cultural history can be found everywhere in our countries. And this is not the only thing that attracts us here. Your country is a place with a lot of beauties highly valued by all those who have had the chance to become acquainted with them and I believe this to be essential.

Mr. President, I followed with deep emotion the struggle of the Romanians against dictatorship, under whose yoke they were suffering. This dictatorship had very special dimensions and also special consequences. Unlike our struggle, yours could not avoid victims, which seriously marked contemporary Romanian history. Similarly, we have been close witnesses of the stormy events that followed your revolution, and those events made a great impression on us. That is how I got to understand even better how difficult it is for a country to move from dictatorship to a normal, functional democracy. I understood that serious work awaits us, which, in order to be crowned with success, cannot tolerate any delay.

Mr. President, it is my wish that our countries should be side by side with other countries in Europe, which will no longer know borders in the traditional sense of the word. There will no longer be borders of misunderstanding and other types of separation but rather borders of frankness and sincere cooperation. Allow me on this occasion to propose a toast for a future full of promises of relations between our countries, to the increasing intensity of these relations, not determined by geographic proximity but rather by the aspirations and joint goals toward which we are advancing together.

I am also convinced that our current talks and negotiations will represent a new small brick among those with which we will be building on the certainly very complicated road that leads to the achievement of our goals. I propose a toast to your health, Mr. President, and the health of all our dear hosts, to the health and happy future of Romania's citizens, with whom I am confident that we will always be connected in the future through lasting and friendly relations.

Black Sea Conference Concludes

AU2206205394 Bucharest Radio Romania Network in Romanian 1900 GMT 22 Jun 94

[Text] The proceedings of the third session of the Parliamentary Assembly of Black Sea Economic Cooperation, which have been held for two days at Bucharest Parliament Palace, concluded today.

This afternoon, the new leadership was elected. Aleksandr Moroz, president of Ukraine's Rada was elected president of the assembly. Mr. Vladimir Kovalev, head of the Russian Federation delegation and deputy president of Russia's State Duma, and Afayedin Zhalilov [name as heard], head of the delegation from Azerbaijan, were elected deputy presidents. Mr. Osman Seif of Turkey, member of the Judicial and Political Commission of the assembly, was elected treasurer.

Foreign Minister Views Poland, EU, Yugoslavia

WS2206131694 Warsaw RZECZPOSPOLITA in Polish 22 Jun 94 p 21

[Interview with Romanian Foreign Minister Teodor Melescanu by Ryszard Malik; place and date not given: "A Need for a True Picture"]

[Text] [Malik] Mr. Minister, you are one of the first representatives of the Romanian Government to have come to Poland since the time of the historic changes which took place in our country five years ago. Does this represent any change in Polish- Romanian relations?

[Melescanu] I would not say that it is a change; it is rather the continuation of the traditional links of friendship and solidarity which have existed between our countries for centuries. We share the same fate in the center of Europe; we have faced similar problems; we have fought—often together—for survival, to maintain our national identities, and we have ensured peace and security in Europe. Our solidarity remained—even during the fight against the invader; let me, for example, recall commendable measures taken by Romania at the beginning of World War II, after Poland was invaded. The need for cooperation between our two countries today is more than obvious. We have the same goals: reform, democracy, integration with European and Euro-Atlantic structures. Our cooperation, even coordination of efforts, can only be beneficial to us and it can only bring us success. At the same time, we can be significant forces of stabilization in the center of the continent.

[Malik] Romania—this is at least the impression that we (here in Poland) received—lagged a little behind on the

road of transformations and reforms which were taking place in the postcommunist countries. The same can be said about international relations. What is the situation now?

[Melescanu] First of all I would like to briefly explain the reasons why I believe that the delay that you have mentioned has an objective aspect; however, it is also a matter of perception.

As is known, Romania was governed in the 1980's by one of the strictest totalitarian regimes. The deeply repressive character of the communist regime did not allow progressive movements, similar to the Polish "Solidarity," to develop. Therefore, it was only possible to overthrow the dictatorship in a mass outbreak of social unrest, not through a gradual linear transformation.

The transformations, which in Romania were taking place at an accelerated pace, without any division into stages through which other post-communist countries had gone, were radical. Their incredibly broad range inevitably resulted in social dissatisfaction, which was very visible in the first phase of the transition period. These social movements were received abroad as an expression of social opposition to the ongoing transformation process, whereas in reality, they were the result of reform—reform that was bold and indeed difficult.

I would also like to add that as a result of the complexity of the problems caused directly by our great involvement in the reforms, in 1990 and 1991 we forgot that our situation must and should be explained so that people abroad would know about our achievements and the steps that we were making toward democracy and the market economy; I even mean those steps of which the effects are only now beginning to be felt.

As opposed to many other areas, industrial production for instance, in politics facts do not speak for themselves. In other words, the image of Romania abroad was incomplete and therefore distorted. I will not condemn all those people who have contributed to the creation of this not-very-praiseworthy picture of Romania in that period, because we ourselves relegated the policy of reporting about the purposes of our efforts as well as about the positive results achieved on the road of transformations.

Your question also implies in a subtle way that there has been a change in perception. There existed a need to define the true picture of Romania, to correct subjective interpretations, and this is exactly what is happening. It is apparent not only to the Romanian minister of foreign affairs, but also—I am convinced—to the public at large.

The evaluations of certain international establishments today, such as that of the World Bank for instance, confirm the considerable progress that has been achieved in Romania on the road toward reform. I do not want to quote any statistical data. It is undeniable, however, that in 1994, considered to be the year of mass privatization, Romania already registered a drop in inflation along with perceptible trends in stimulating the national economy.

It is important to stress that the geostrategic position of Romania, its prospects, natural resources, and potential have all given it an important and responsible place in the world's political life. I am thinking, of course, about our striving toward Europe, which we are sharing with Poland and which has been confirmed by many documents of the European Union [EU]; however, I am also thinking about the vicinity of the conflict-stricken territory of former Yugoslavia. The priorities of foreign policy place Romania in the European zone, but they certainly do not in any way confine its activities to only this.

[Malik] The Romanians boast of their heritage, which can be traced back to Latin civilization. Some Poles associate Romania with the sight of Romanian Gypsies begging on the streets of Polish towns and cities. How do you, as head of the diplomatic service, see the place of your country in Europe and the world?

[Melescanu] Yes, that is true, the entire nation is proud of its origin and of its history. Let me repeat well-known facts: the Romanians are proud to stress their Latin origin, the fact that, despite various developments, they have retained their identity on the land of their fathers. Our nation has survived as a real island of Latin culture right in the middle of a Slavic sea. You have mentioned Poles, who associate the image of Romania with Romanian Gypsies. I am certain, however, that even more Poles know our country better—I am now thinking about those of them who have had some contacts with our culture, about hundreds of thousands of your countrymen who have visited our country. Their picture of Romania should not be that much deformed.

Current economic difficulties are bound to be overcome and Romania will be able to quickly regain the prestige and the place that it deserves, thanks to its European vocation.

[Malik] Bucharest has been very active on the political scene lately. Can you specify when Romania will become an equal member of the EU or West European Union [WEU]?

[Melescanu] I am convinced that my words will be interpreted correctly if I say that the Romanian diplomatic service is evaluated as active, constructive, and realistic. Bucharest is increasingly mentioned as a center that organizes international meetings; increasingly more is also being said about the presence of the Romanian diplomatic service in the regional arena—both in Europe and around the world. These aspects are not at all new; they have simply become more visible recently because they have ceased to be obscured by prejudices and by the not-really-true picture of Romania. Again, what should be done is to recognize the existing state of affairs rather than organizing a diplomatic offensive.

Aside from that, as you know, integration with the European and Euro-Atlantic structures is one of the priorities of Romania's foreign and security policy. The recently observed development of the situation in this area has confirmed that this integration is not merely a theoretical striving or a remote goal.

If, on the one hand, one takes into accouni recent initiatives aimed at preparing our states to become an inalienable, stronger, and more stable part of the extended Europe—the "Partnership for Peace," association with WEU, the Hurd-Andreatta initiative, the Pact on Stability, and on the other hand, the progress that Romania has made on the road of reforms, then I believe that this provides foundations to give an optimistic answer.

We can believe, therefore, that integration with the EU might be put into effect toward the end of this century and that this will be accompanied—quite logically—by simultaneous integration with the WEU. These predictions, justified by our research, should not be interpreted as an attempt to underestimate the various problems that still exist.

I am convinced that the title of full EU member will be the confirmation of the state of affairs. This statement is entirely justified by the fact that the EU is going through a process of creating, along with us—the associate-member states—their foreign policy and a policy of joint security, which will go considerably beyond the borders of the EU, before our de facto integration takes place. In my opinion, this is what is going to determine the continuation of European integration. This will also make it easier for our countries to come closer together. This is one more argument that supports my evaluation.

[Malik] Not far from Romania, the tragedy of the former Yugoslavia is going on. What is the position of Bucharest on the conflict between Serbia and Croatia, not to mention Bosnia?

[Melescanu] First of all, I do not think that this is a conflict between Serbia and Croatia or Bosnia. Of course, the problem of Kraiina remains unresolved; however, the present situation does not pose the risk of direct armed conflict. As far as Bosnia is concerned, ethnic communities are fighting there in direct confrontation of civil war.

Romania has all along been in favor of resolving this conflict by political means, of providing a resolution that would be acceptable to all parties; the first step should be to stop the bloodshed. This is the only way to ensure lasting peace in the region. For this very reason we are happy about the recent, albeit temporary cease-fire. It is very important for the United Nations, EU, United States, and Russia to arrive at a joint position on the Bosnian issue. Thus, I am an optimist and I believe that thanks to joint efforts by international communities, we will soon be able restore peace there.

Officials Meet With Foreign Military Attaches

AU2206161394 Bucharest ROMANIA LIBERA in Romanian 17 Jun 94 p 10

[Report by Andrei Badin: "The Leadership of the Ministry of National Defense Met With the Military Attaches Accredited to Bucharest"]

[Text] The leadership of the Ministry of National Defense—represented by Ion Mircea Pascu, state secretary for defense policy and international relations; Major General Decebal Ilina, head of the Military Intelligence Directorate; Gheorghe Rotaru, head of the Political Analysis and International Relations Direction; and Colonel Simion Boncu, head of the Information and Public Relations Directorate of the Armed Forces, met with foreign military attaches accredited to Bucharest. Mircea Pascu briefed the military attaches on the activities of the Romanian Armed Forces since Gheorghe Tinca was appointed minister of defense. Major General Decebal Ilina briefed them on the stage reached in the reorganization of the armed forces. According to Elena Olariu, spokesman for the Ministry of National Defense, the military attaches will soon be holding a meeting with General Dumitru Cioflina, state secretary and head of the General Staff, who will brief them on the reforms under way within the armed forces' structure and the preparations being made in the light of those forces' integration within NATO structures. By the end of the week the military attaches will have visited a number of garrisons throughout the country.

Moldovan Official Views Bilateral Relations

AU2206130494 Bucharest Radio Romania Network in Romanian 1000 GMT 22 Jun 94

[Text] Today at Cotroceni Palace, Romanian President Ion Iliescu received the representatives of the parliamentary delegation of the Republic of Moldova currently in Bucharest to attend the session of the Parliamentary Assembly of the Black Sea Economic Cooperation Zone countries.

The delegation is headed by Mr. Petru Lucinschi, the speaker of the Parliament of the Republic of Moldova, who, following the meeting with President Iliescu, made the following exclusive statement to our reporters:

[Begin Lucinschi recording] First I would like to say that in my assessment we both confirmed that the relations between our countries are quite intense [relatii destul de intense], and they are developing in every way, although we cannot say that we are satisfied, we wish for more, we think that the efficiency of our relations could be even higher and better. But, currently, both our countries are in transition, in a crisis situation.

Our talks concentrated on the concrete aspects of the relations between our countries. Thus, we discussed economic issues. For instance, the fact that the current emotional state and the spiritual problems—the consequences of which may be seen in the spiritual life—also

appear in the press and in public opinion. However, little is being done to support the furthering of relations among persons, localities, and industrial or economic enterprises, by which one could solve the majority of the problems currently facing our peoples.

Today we have to be realistic—and this term was recurrent during our talks—because if we disregard the real situation we will again end up beating the air, causing either confusion or revolt among the people. Thus, the current real situation makes it necessary for us to back all those who wish to undertake concrete things to better our relations at all levels.

This was, in my opinion, the leitmotif of our talks today, and we agreed to accomplish some of the things we had previously convened.

As far as state relations are concerned, indeed, sometimes we have neglected them, we had an electoral campaign, and you may have also been busy with other things, so there are such intervals that are not very intense, which is normal. However, as far as relations among persons are concerned, they are relations as among relatives, which is also normal. Besides all this, we have the relations between the businessmen, and here we have to establish a better social-economic framework for our future cooperation. [end recording]

Constanta Shipyard Strike Ends With Agreement

AU2106115794 Bucharest Radio Romania Network in Romanian 1000 GMT 21 Jun 94

[Text] We have just received a message faxed to us by the Shipyard Workers' Trade Union Federation—FESINAR Constanta, announcing that the strike over an unlimited period of time, which began yesterday at the Constanta Shipyard, was terminated today at 1030 [0730 GMT] after agreement was reached on the last point on the list of demands of the shipyard workers' trade union.

The collective labor conflict, which began on 1 June, will be considered as concluded only after the things agreed upon by the trade union and the employer take concrete shape according to the time schedule established during the negotiations.

A copy of the agreement, which was also faxed to us, stipulates, among other things, a 35-percent increase in salaries beginning with the month of June, calculated on the basis of the 1994 May salaries, as well as a 75-percent increase of the salaries beginning with the month of July, calculated on the basis of the 1994 May salaries. The aforementioned percentage also including the various indexations granted by the government over the third term of the year.

Beginning today, a social moratorium [moratoriu social] is introduced over the next three months, during which the two parties are to refrain from initiating new labor conflicts.

Izetbegovic: 'We Can Continue the War'

BR2306134294 Rome L'ESPRESSO in Italian 24 Jun 94 p 89

["F.B." interview with Bosnian President Alija Izetbegovic; place and date not given: "But for Us War Continues"]

[Text] [L'ESPRESSO] Mr. President, can we talk in terms of normality in Sarajevo now?

[Izetbegovic] Definitely not. It will take a long time yet before we can talk in terms of a normalization. I do not yet see any solution to the problems of the city and of Bosnia. And I am afraid that the issues concerning Sarajevo will be resolved last. Let us not forget that it is still a city under siege.

[L'ESPRESSO] You do not seem to have much confidence in the negotiations.

[Izetbegovic] I am sure that the negotiations, like those in Geneva, are useful. But it is a zigzag process. Ultimately we will reach a solution. Of the only two possible solutions—peace or war—only one is feasible. But I do not believe in the short term, because the negotiations are very unpleasant.

[L'ESPRESSO] Let us return to Sarajevo. There is a great deal of unrest. First, the problem was survival. Now, it is how to make a living: There is no work...

[Izetbegovic] Yes, work is the main problem. We are in the position of someone who is seriously ill; as long as he is ill, he has only one problem—how to recover. But once he has recovered, he realizes that he has innumerable probes. Now, for instance, the markets are full of goods, but there is not yet the money needed to buy them. The situation will return to normal only when production has been set back in motion.

[L'ESPRESSO] But why is an attempt not made to make this process quicker?

[Izetbegovic] It is impossible. The most complex problem facing the world now is in fact Bosnia. And the most complicated problem in Bosnia is Sarajevo. Nobody now knows the solution. Look at the map. We are here. Around us there are the Serbs. And we in turn surround the Serbs who surround Sarajevo. Everyone is surrounded. So how is it possible to predict how it will end? There has been talk about a protectorate of Bosnia on the part of the world community: I leave people to talk. But any solution that Europe were to choose would be a non-solution.

[L'ESPRESSO] You say that the embargo on Bosnia should be lifted. Will you succeed in this?

[Izetbegovic] No, I do not think it is possible. But we have a duty to demand it. We could achieve another result—that of depriving the Serbs of their heavy weapons. Let us remember that peace will only be possible if there is a balance of forces. This war, like all wars, is the result of an imbalance of armaments. In any case, the international community's response is significant—when it says that more weapons means more bloodshed. So it should work to take the weapons—heavy weapons, at least—away from those who have them.

[L'ESPRESSO] Are you not aware that people are very tired of this war? Even the soldiers of the Muslim army?

[Izetbegovic] I think that this tiredness exists mainly on the Serbian side. We want peace, but we can continue the war. There is no tiredness among our soldiers, because our morale is different from theirs. We are the victims, and soldiers defending their own land always have a higher level of morale than the aggressors. The Serbs had 100 times more equipment and weapons than us. And still they failed to enter even Mostar or Tuzla.

[L'ESPRESSO] Let me ask you to assign some grades. Which countries do you consider Bosnia's best friends? And who is at the bottom of the list?

[Izetbegovic] The Muslim countries are in first place, then Germany, Italy, Belgium. At the bottom? France and Britain.

Leaders Brief Assembly on Geneva Talks

Silajdzic Addresses Assembly

AU2206151894 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 22 Jun 94

[Report by Adnana Hadziahmetovic on address by Bosnia-Herzegovina Prime Minister Haris Silajdzic to the Bosnia-Herzegovina Assembly in Sarajevo on 22 June—recorded]

[Text] [Hadziahmetovic] In the first part of today's session, the deputies of the Bosnia-Herzegovina Assembly adopted the report on the work of the state delegation at the Geneva negotiations, [words indistinct] with the contact group, and the [words indistinct] on the military agreement.

The state delegation at the Geneva negotiations [words indistinct], Prime Minister Silajdzic said, submitting the report on the talks with the international contact group. The delegation approached the talks with the demand that the principle of the preservation of the sovereignty of Bosnia-Herzegovina within its internationally recognized borders be respected, and that the occupied territories with the majority Bosniak and Croatian population be returned [words indistinct], the necessity of respecting the principles of the London conference, and the UN Security Council resolutions, Prime Minister Silajdzic said, adding:

[Silajdzic] When it comes to concrete, territorial solutions, the state delegation presented the contact group with a map of the federation as determined by the Vienna agreement, at which the territories with the

majority Bosniak and Croatian population are defined, amounting to 58 percent of the territory of the Republic of Bosnia-Herzegovina. The contact group was presented with information and other convincing documentation on the justifiability of the solutions that we are committed to.

Four, as for the issue of the so-called corridor, the state delegation presented a unified view that corridors are unnecessary as a lasting solution, since the territory with the Bosniak and Croatian majority and the territory with the Serb majority are a constituent part of the state of Bosnia-Herzegovina in which freedom of movement of people and goods must be provided and guaranteed in all the regions. Therefore, (corridors) are redundant. We presented the view that, if the issue of the corridors is to be discussed, then it must include a link between the central part of the federation and the Bihac canton. All the corridors must have an equal status regardless of for whom they are established and through whose territories they pass.

Five, I particularly want to stress that the state delegation was very persistent and resolute in its view that the contact group could not attempt to open seriously the process of negotiations if, at the same time, the issue of measures to be undertaken in case of obstructions to the peace process is not solved. We asked openly and on several occasions: If the negotiations are obstructed, will the international community carry out air attacks and other military measures? Will it lift the arms embargo? Will it establish an effective control over the [Bosnia-Herzegovina] state border with Serbia and Montenegro? Will it tighten the economic embargo against the so-called Yugoslavia, and will it impose other sanctions against the side that is responsible for the failure of the peace conference, the peace initiative? We were told that our demands and proposals would be considered, and that we would soon hear the views of the contact group concerning these matters.

[Hadziahmetovic] We have made it clear, Prime Minister Silajdzic continued, that we cannot consider as serious any proposal by the contact group unless it contains clearly defined intentions and guarantees concerning the implementation of the peace agreement. The state delegation reiterated the proposal for the Bosnian Serbs to join the federation under equal conditions, Prime Minister Silajdzic said, adding:

[Silajdzic] In case such a proposal is again rejected, we presented the basic principles on which the internal organization of Bosnia-Herzegovina would be based. The proposal is based on the inviolability of the international subjectivity and the territorial integrity of Bosnia-Herzegovina. We would accept the internal transformation into a complex state, in which one part would be the federation and the other would be with the Serb majority that would have a high degree of autonomy and a permanently open possibility to join the federation. The central bodies of that state would be organized in a way that would express the constituent position of each [word indistinct].

Zubak Addresses Assembly

AU2206151694 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 22 Jun 94

[Report by Adnana Hadziahmetovic]

[Text] [Hadziahmetovic] Kresimir Zubak, president of the [Bosnia-Herzegovina] Federation and member of the delegation at the negotiations in Geneva, has presented a report to the deputies in the Bosnia-Herzegovina Assembly on the talks on the military agreement, that is, on the ending of hostilities in our country. Stressing that he was in the unfortunate position of having to report on the conclusions of the Geneva talks after a period of time had elapsed and after the public had already been fully briefed on them, Kresimir Zubak stressed once again that our delegation had not agreed to hold direct talks with the Serbian aggressor side (?at any time). Talks had been held with Akashi and a group of experts. He said that the delegation did not want to discuss the draft agreement on the ending of hostilities until guarantees had been given that the aggressor's soldiers had withdrawn from the 3-km zone around Gorazde.

He also stressed that the delegation had not accepted any proposals made by the Serbian aggressor side. The content of the agreement on the ending of hostilities [words indistinct] to stop hostilities for four weeks. [words indistinct] that the forces of the Army of Bosnia-Herzegovina and the Serbian aggressor be separated by UN forces and that the agreement on the ending of hostilities be linked to the talks with the contact group on a (?partial) and comprehensive peace solution.

At the end of his report, Kresimir Zubak said:

[Begin Zubak recording] (?In that sense) I do not think that there is any reason why this distinguished house should not conclude that we, as the victims of aggression, have succeeded for the first time in imposing solutions that suit us. In other words, our solutions were not only [words indistinct] but were principled and directed at a final solution [words indistinct] [end recording]

[Hadziahmetovic] [words indistinct] The deputies of the Assembly of Bosnia-Herzegovina unanimously and without debate adopted the reports on the work of our delegations in Geneva, approved of the work of the delegations, and supported all efforts aimed at finding a peaceful solution in our country.

Several Cease-Fire Violations in Sarajevo

AU2306094994

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 0800 GMT on 23 June reports an increasing number of cease-fire violations on the following Bosnia-Herzegovina battlefields:

From Brcko correspondent Hamiz Deronjic reports that "the defense lines of the free Brcko territory have suffered constant heavy enemy fire in the last 24 hours. In the course of the previous day as well as last night the entire line of Brcko's defense was the target of the Chetnik infantry arms, antiaircraft machine guns, and rifles. The enemy started the shelling early yesterday evening. The most powerful artillery activities were against Boderiste." "There was no peace on the central part of the Brcko front either," Deronjic continues, reporting attacks from Browning guns, portable launchers, and rifles. Deronjic also reports the "regrouping of enemy forces" and says that a "high concentration of the aggressor's manpower has been spotted in the western part of Brcko's defense. The soldiers of the Brcko 108th Motorized and the 108th Infantry Brigades are ready to resist any possible attacks of the Serbian aggressor."

From Gradacac, the Information Service of the (?105th) Chivalrous Motorized Brigade says that "the aggressor violated the cease-fire considerably on the Gradacac front last night." As the service says, from a 120-mm mortar in Gornje Krecane he fired (?five) bombs at Gradacac and its suburbs, however, "luckily without any major consequences. At the same time the entire western defense sector was exposed to sporadic but very intense fire from antiaircraft guns, antiaircraft machine guns, and all types of infantry arms. The situation calmed down at approximately 2200. Our fighters did not respond to the fire." As it is reported, "the morning in Gradacac is peaceful."

"On the Zavidovici front the Chetnik offensive continues with unabated intensity," the Press Center of the 3d Corps reports. "Following an artillery preparation from all types of mortars and tanks and the entire antiaircraft arsenal, infantry attacks were attempted in several directions. Major forces attempted a breakthrough in the direction of access to Kazici, Donja Blizna, Gornja Blizna, and on the line Lokve-Zedni Vrh. The units of the 3d Corps have resisted all the attacks," the press center reports. "A gross violation of cease-fire was also noted on the Teslic-Tesanj front, where Tesanjke, Tesanj, the region of Vrt, (?Salamanov) and [word indistinct] Klanje were shelled. The intensified movement of buses and trucks in this area heralds new Chetnik infantry attacks."

Army Builds 'Strategic' Road in Zenica Area

AU2206193494 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 22 Jun 94

[Report by Semso (Luka) from Zenica]

[Excerpt] Every new road is of strategic interest these days, both from the military and from the civilian point of view. That is why the members of the Zenica Engineering Battalion had cause for pride today, as they officially announced that a new road has been marked out, and it will be used for bringing in supplies more quickly and safely to our defense lines, for taking care of the wounded, and also for linking up the existing [word indistinct] between important points in Zenica and the neighboring municipalities.

Midhat Ibrahimagic, commander of the Engineering Battalion, stressed today in front of his soldiers-builders that the marking out of this road—3,600 meters long, passing through inaccessible terrain and under the worst of weather conditions, in only 10 days—was a real achievement. The order from Army General Staff has thus been carried out, and the next task on surfacing and [words indistinct] until the road is completed will most certainly be done within the deadline. [passage omitted]

Muslim Offensive Near Vozuca Said Stopped

LD2206175094 Belgrade TANJUG in English 1731 GMT 22 Jun 94

["Pool" item]

[Text] Banja Luka, June 22 (TANJUG)—The Moslem offensive in the area of Vozuca on the northern Bosnian Mount Ozren has been stopped, Bosnian Serb Army sources said Wednesday. They added that the Moslem side had suffered major losses.

As the Moslem side is using in the attacks ordinary and chlorine- charged artillery shells, around 5,000 women, children and old people have been evacuated from the Vozuca area, the army said in a statement.

Denying radio reports by the local Moslem Second Army Corps that Serbs are fleeing in disarray, the Serb Army said that more than one hundred Moslems had been killed in the fighting around Vozuca and that the village and Mt. Ozren were still under their control.

Violating the Geneva ceasefire agreement, which came into effect on June 10, the Moslems continued to attack Serb settlements and positions in other fronts in the former Yugoslav Republic of Bosnia- Herzegovina.

Serb units hold firmly all their defence positions and return fire only when their troops come under heavy offensive attacks, the Serb Army statement said.

A strong Moslem artillery and infantry attack on Serb territory in the area of Komar and Mracaj in central Bosnia was repulsed on Tuesday. Its objective was to break through Serb defence lines towards Kupres in the south-west Bosnia-Herzegovina.

Moslems are violating the ceasefire agreement also in the area of Sarajevo, where their snipers open intensive fire on Serb parts of the city.

Moslem forces also continued to open fire on Serb positions and settlements in the area of Bihac and Krupa na Uni (formerly Bosanska Krupa) in western Bosnia, and in the areas of Vlasic, Olovo and Srbobran (formerly Donji Vakuf) in the central part of the republic, as well as

in the region of Gorazde in eastern Bosnia and the areas of Gradacac, Trebava and Doboj in the north.

Doboj and Teslic came under the heaviest attacks when Moslem forces opened artillery fire in early morning hours. Five civilians, including two children, were wounded in the shelling of Doboj, while two persons were wounded in Teslic. Heavy damage was caused to both towns.

Joint forces of the Bosnian Croats and the regular army of neighbouring Croatia continued attacking the area of Orasje in northern Bosnia and resumed attacks in the area of Popovo Polje in the south-west of Bosnia-Herzegovina.

More Than 100 Soldiers Killed in Muslim Clashes

LD2206144594 Pale Srpski Radio-Televizija Studio Sarajevo Radio in Serbo-Croatian 1300 GMT 22 Jun 94

[Text] Clashes between the soldiers of the Fifth Corps [Bosnia-Herzegovina Army] loyal to the Muslim authorities in Sarajevo and the forces of the Autonomous Province of Western Bosnia [APZB] were resumed this morning with undiminished intensity, particularly in Caglica in the municipality of Velika Kladusa and in Mutevelici and Pecigrad in the Cazin municipality, local media of both warring sides have reported, without mentioning the casualty toll.

According to Serb intelligence sources, 68 APZB and 36 Fifth Corps soldiers were killed over the past five days in fierce inter-Muslim clashes.

According to Muslim Radio Bihac, about 400 APZB soldiers were captured during the latest inter-Muslim clashes.

Abdic Reportedly in Control, Fighting Continues

LD2306143794 Belgrade TANJUG Domestic Service in Serbo-Croatian 1245 GMT 23 Jun 94

[Text] Petrovac, 23 Jun (TANJUG)—Radio Velkaton of Velika Kladusa denied this morning's REUTER report that members of the Muslim army's Fifth Corps, loyal to Alija Izetbegovic, "deeply penetrated" the territory controlled by Fikret Abdic and that Abdic's "days are numbered."

The radio said forces of the National Defense of the Autonomous Province of Western Bosnia [APZB] are firmly in control of all separation lines in the Cazin Krajina.

This afternoon members of the Fifth Corps continued their ferocious attacks on civilian targets and positions held by APZB forces, Radio Velkaton said.

According to the same source, heavy fighting is under way in the area of Pecigrad and the strategically important point Pivka. One member of the APZB army was killed in the fighting, while another three were wounded.

Radio Velkaton claims that Izetbegovic's artillery units pounded the areas of Porcici, Veljkovici, and Liskovac, inflicting considerable material damage.

Federal

'Struggle for Power' in FRY Leadership

AU2306105994 Podgorica MONITOR in Serbo-Croatian 17 Jun 94 pp 14-16

[Commentary by Vladimir Jovanovic: "Dedinje on the Romanija Mount"]

[Text] Serbs are more and more divided on the question of the future and development of the war crisis in Bosnia. Zoran Lilic's words uttered the day after the session of the Supreme Defense Council of the FRY [Federal Republic of Yugoslavia] are a clear signal to the Serbian war lobby across the Drina. Lilic said that they cannot "hold hostage" the population on this side of the Drina.

These words have attracted the attention of observers in Belgrade. They were said amidst the debate about [Zoran] Djindjic's initiative and the increased pressure Belgrade is exerting on Radovan Karadzic and others to accept the proposed division of Bosnia.

The Malcontents

Our sources claim that nothing happens by chance. Their interpretation of Djindjic's initiative points out his ever-increasing and ever more important links with Karadzic, and, on the other hand, with Cosic and the church. These people are inclined toward the unitarization of the FRY and toward creating, effectively and legally, a Serbian national state. Milosevic and his leftist national wing are allegedly more inclined toward a "civic state." MONITOR's sources further claim that Bulatovic's "Herzegovina initiative" represented a simpler test. Trebinje Leader Bozidar Vucurovic said that he is not interested in such a project, as his interest is not in a civic, but a national state.

Three weeks ago, Milosevic received a delegation of the SPS [Socialist Party of Serbia] from Bosnia. On that occasion, he told them that he wants them to secure power in the Srpska republic, that he will help them do so (not publicly and directly, of course), and that Banja Luka will be the new capital of the Srpska republic. After this, the SPS of the Srpska republic held a convention in Banja Luka, traditionally a stronghold of the opposition against Karadzic (rebellion of a unit last September, disagreement between the 1st Krajina Corps Commander General Talic and the central command, and the like). On the other hand, Karadzic is granted less and less time on the state television and nobody in Belgrade wants to talk officially about his political future, although he is being asked to do the impossible—convince his top military leadership and followers to give over 20 percent of territories presently under their control to the Bosnian Government without any guarantees that such a division of Bosnia will be long-lasting.

Karadzic is not standing still: He is trying to activate his intelligence-police network Tajfun [hurricane] in Belgrade. Many people claim that the role played in all this by Momcilo Mandic, former deputy head of the Ministry of Internal Affairs of Bosnia-Herzegovina, who is now head of the Bureau of the Srpska republic in Belgrade, is also unclear. Moreover, Karadzic has been closely gathering around himself the anticommunist nucleus (the Plavsic woman, Krajisnik, and others); he has also received secret support by the church at the recent meeting of its top leadership held at the Pec Patriarchate.

Belgrade, however, assesses affairs within the Serbian leadership in Bosnia to be "numerous as the sands" and that will be used as a trump card by the socialists in their election campaign. What is this scenario like?

Milosevic is counting, or at least was counting, on a longer-lasting truce in Bosnia, which would enable elections to be held there. With the support of the police and television—somewhat in the fashion in which this was done in Krajina in the case of [Milan] Martic—Milosevic's candidates would win at these elections. Karadzic will become an old story. Along with General Mladic.

Expectations of this kind are still uncertain: The development of the crisis in Bosnia does not promise a permanent peace. This suits Karadzic as destabilization is out of question at the time of possibly decisive battles.

A dispute of a fundamental nature has broken out among the Serbs. Heated debates are being held about questions connected with the future and whether it is of any use to continue to wage war. On the other hand, a tough struggle for power has begun between the Serbs across the Drina and Belgrade and it is difficult to predict the final outcome of this clash.

Milosevic is trying to rally his war advisers and aides. Radmilo Bogdanovic, however, has said: "I am not pleased by Lilic's statement"—something that may develop into a tough conflict.

MONITOR's sources claim that the opinion prevails among the top Serbian leadership in Bosnia that the war will inevitably continue. These assessments are probably justified from the point of view of General Mladic, for instance: He surely possesses correct reports regarding the intentions of Bosnian and Croatian generals to carry out a breakthrough in northern and western Bosnia. This is clear. Belgrade, however, is prepared to trade with territories, but that is not feasible in practice.

Discontentment

General Mladic is trying to reorganize his forces. His intention is to form larger mobile tactical units that would be able to be transferred from one front to another whenever there is need to do so. He is also trying to get rid of some officers he considers to be unsuitable.

At the same time, Milosevic is criticizing the General Staff of the Yugoslav Army, that is, General Perisic, because of its support to the top Serbian leadership in Bosnia. By carrying out certain cadre changes in the army, he is trying to place under his control this factor that is potentially extremely tricky for him.

Discontented with the general situation in the Army, he criticizes General Perisic and others partly for crime in the Yugoslav Army, unsolved murders (see box), and for Yugoslav Army officers "unselectively" departing for Krajina and Bosnia.

Through his "exclusive channels," Milosevic is trying to feel the situation in the top leadership of the army of the Srpska republic as well. It seems that he has some serious intentions regarding General Manojlo Milovanovic, currently head of the headquarters of the army of the Srpska republic. This tanker who graduated from high military schools has recently led all large-scale offensive operations of the Srpska army. His position prior to the current one was commander of the Drina Corps of the army of the Srpska republic. An analysis of his statements, particularly concerning crises around Sarajevo and Gorazde this year shows that he often corrects and moderates General Mladic's statements. Satisfied with the mop-up operations carried out in the belt along the Drina last spring, Milosevic has personally appointed him to the post of head of operations of the army of the Srpska republic.

In the meantime, a major piece of "ill luck" befell Mladic. At the end of May, Bosnians took Elevation 691 on the Ozren Mount, southwest of Tuzla, that is, the well-known Serbian stronghold of "Vijenac." Even VECERNJE NOVOSTI admitted that and reported on the Serbian loss of about 110 fighters. The article held as responsible the commander of the Serbian "Ozren" tactical group and the commander of the battalion that was defending the said stronghold.

The further development of the war crisis might bring more "ill luck" to Mladic and thereby mar his "fame." People in the know claim that he has already been offered the post of commander of the Uzice Corps of the Yugoslav Army, but these rumors are impossible to check.

Milosevic, Karadzic, Mladic, Cosic—again! Serbs, it is said, must "concede" territories in Bosnia. Does this not resemble the haggling over the Vance-Owen plan? Djindjic has now fallen into this maelstrom and he is too close to the Belgrade regime to be able to easily shake off his links across the Drina. After all, he did not establish those links without the Serbian president's knowledge.

As a part of Djindjic's initiative, somebody has been trying to mix up Montenegro into all that. In its announcement criticizing the honorable Serbian Democrat, a party says: "You have stuck a dangerous thorn into our people's healthy flesh. That has motivated separatist forces in Cetinje. The sentiment of separating Montenegro from Serbia has been growing," the warning says alarmingly.

Belgrade sees "Yugoslavia" as a burden. Nobody knows what to do with it.

[Box, p 16]

Generals, Death of a Soldier, Crime, Milosevic

As the song by singer Kemal Monteno goes, "it was some time in spring," when affairs—of the kind that usually end with en masse pensioning off—begun sprouting. Milosevic is now criticizing the General Staff mainly because of some cases of crime, but also unexplained circumstances about the death of soldier Jugoslav Mihajlovic (19) from Pozarevac. Mihajlovic was seriously injured in the Surdulica Barracks on 14 May at about 2340 and later died in a Nis hospital. The Information Service of the General Staff harshly reacted to a report on this case carried by a Belgrade daily. However, assertions in the article have not been denied.

On the other hand, crime in the Yugoslav Army has spread so much that General Perisic himself had to deny its existence, speaking before about 100 journalists last week. There is no smoke without fire, people say.

Milosevic, however, uses criticism with a view to exerting additional pressure on the top military leadership, something that is confirmed by at least two things:

a. The situation in the Yugoslav Army is so rotten that even the commander himself has to talk about it, at least by denying it, and the problem is made much worse by the fact that what is mostly talked about is crime.

b. Tension is growing between Milosevic and the generals.

Again?

Serbia

Official Reports on Number of Refugees

AU2206160594 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 22 Jun 94

[Report by Katarina Andric]

[Excerpt] The republican commissioner for refugees today held a news conference for foreign and domestic correspondents. There were several topics on the agenda: the revision of the refugees' status in Serbia, humanitarian operations, and cooperation with other international humanitarian institutions. The correspondents were addressed by Bratislava Morina, commissioner for refugees. Katarina Andric reports:

[Andric] There are approximately 500,000 refugees in the Republic of Serbia. The majority of them live with Serbian families. The greatest number of refugees are

women and children. Almost 200,000 of them are under 18 years of age, 1,200 children are without parental care, and 10,000 babies have been born in exile. [passage omitted]

Montenegro

Avramovic Views Energy Costs in Montenegro

94BA0322C Belgrade POLITIKA in Serbo-Croatian 7 Jun 94 p 11

[Article by D. Becirovic: "Dragoslav Avramovic Speaks With Montenegrin Energy Officials: 19 Million Dinars for Power Plant Repairs"]

[Text] *The governor requested a precise specification of costs; national income must double over the coming months; demand that petroleum be exempted from all duty.*

Niksic, 6 Jun—In order to perform essential repairs on Montenegrin electric power plants—at Perucica, Pivo, and Pljevlja—19 million dinars must be secured in the shortest term. The electric power industry does not have the money, and if all the deposits in Montenegrin banks were devoted to the repairs, the electric power installations would barely be put in order. But the demand that prices be increased will not be popular with the government.

The governor of the NBJ [National Bank of Yugoslavia], Prof. Dragoslav Avramovic, listened politely to energy officials and, wielding figures, he "slightly lowered" their demands as he went. Because the repairs must be made to the installations, Avramovic and Montenegrin Deputy Prime Minister Krunoslav Vukcevic said that the energy officials should precisely calculate the costs and send those figures to the government and governor so that this work, which cannot wait, is done solidly and on time.

The energy officials also mentioned the possibility of paying off debts by increasing the price of electricity. However, Avramovic said that his program looked at the infrastructure as a whole, but that it is now obvious that there are major price imbalances in this area. Although prices of electric power are low (one-third of the world price), the prices of telecommunication services and railroad transportation are equally above prices in the world, and something must be done in that sector.

One of the sore spots in Montenegrin economic life is petroleum. Energy officials are seeking to secure from the national energy pool the quantity of petroleum provided for Montenegro, while "Jugopetrol" director Nikola Dragomanovic put forward the demand that petroleum derivatives, which we import at prices two to five times higher than the price on the world market, be exempted from customs duty and that the market for petroleum in our country be free.

"If we got rid of customs duty, excise taxes, and controls over petroleum, what would happen then?" the governor asked.

"The supply would probably be better, with lower prices," Dragomanovic responded.

In response the comment by some of the participants in the meeting that food is expensive in our country, more expensive than in the world, Avramovic said that those calculations are not accurate, which does not mean that food cannot be cheaper.

There was also discussion of wages, whereby the governor said that it is inexplicable that wages have risen enormously for some structures in Serbia, even though they are still low compared to world levels.

Kosovo

Serb Police Continue To Harass Albanians

AU2206210194 Tirana TVSH Television Network in Albanian 1800 GMT 22 Jun 94

[Text] The deployment of military trucks, Serb police punitive expeditions, and raids and harassments are still being carried out in various parts of Kosova.

In the Kodra e Trimave Quarter in Prishtina at approximately 1600 [1400 GMT] yesterday, a convoy of military vehicles from Podujeve paraded along the main street of this quarter and then headed toward the center of Prishtina. The convoy was made up of ambulances and armored military cars.

Meanwhile, a police expedition with four [word indistinct], two armored cars, seven police cars, two Land Rovers, and one excavator entered the Korish village in Prizren and reeked havoc among the peasants. This police expedition raided several homes and harassed Ajet Mucaj and his mother Elmaze. They also opened holes [vrima] in Mucaj's yard under the pretext of searching for weapons.

The Kosova Information Center reports that raids and maltreatments have been reported in Podujeve, Mitrovice, Skenderaj, Kline, and Lipjan.

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